

Duty Free Americas brings in medical consultant to guide safe re-openings of stores

Duty Free Americas has retained Aventura-based internist and primary care physician Dr. Michael Braun to guide the company as it gets ready to re-open select stores closed due to the COVID-19 pandemic.

Duty Free Americas (DFA) says that it is going beyond standards and procedures recommended by the World Health Organization, Centers for Disease Control and Prevention - CDC, and local governments in the wake of COVID-19.

In addition to providing safety training to employees before they return to their workplace, the company has hired Dr. Braun as its medical consultant to closely monitor this rapidly evolving situation, to oversee the implementation of prevention measures, and to answer any questions that DFA employees may have in connection with COVID-19.

With almost 25 years of experi-

ence, Dr. Braun is also a board-certified cardiologist affiliated with Aventura Hospital and Medical Center in Aventura, Florida.

In order to ensure a sanitary shopping experience for DFA's employees and customers, Dr. Braun has been developing DFA's safety protocols related to medical screening of employees, using facial coverings, regular hand-washing, sanitizing surfaces, and minimizing physical contact.

Dr. Braun is also providing advice about equipping stores with shields between cashiers and customers, floor decals to maintain social distancing and crowd control, and additional cleaning and sanitizing supplies.

Additionally, he is exploring new practices at DFA's counters, including self-application of fragrance and beauty products.

"The safety and well-being of our employees has always been and remains of paramount impor-

tance to us, especially in this uncertain time," said Jerome Falic, Chief Executive Officer of DFA. "We are honored to have Dr. Braun join us as we prepare our stores for the gradual recovery phase of the travel retail industry, and we are certain that his guidance will help ease many of the concerns of our employees and customers until this pandemic is behind us."

"DFA deserves credit for taking this novel coronavirus very seriously from the outset," commented Dr. Braun. "It is incumbent on companies like DFA to educate their employees about COVID-19 while making them feel comfortable in the workplace.

"I am at the disposal of DFA's employees to explain the latest developments and answer related health questions, and I will be in ongoing communication with the company to make sure it has proper support throughout this period," he concluded.

Carnival Cruise Line extends U.S. sailing suspension through September, as it sells off ships amid billions in losses

Carnival Cruise Line announced on Monday that it has extended its operational pause in North America through Sept. 30, 2020, an additional month later than its last forecast.

Carnival previously announced that it intended to relaunch voyages at PortMiami in August.

"During this unprecedented pause in our business, we have continued to assess the operating environment and confer with public health, government and industry officials," Carnival Cruise Line President Christine Duffy told booked guests and travel agents in a letter.

Carnival initially announced a voluntary 30-day pause in operations on March 13, and has now

extended that pause three times, reflecting the public health challenges associated with the COVID-19 pandemic. It is currently completing the repatriation of nearly 29,000 crew members to more than 100 nations who serve its fleet of 27 ships.

CLIA suspension extended

The latest postponement comes in the wake of the announcement by Cruise Lines International that all CLIA member cruise lines would voluntarily be suspending passenger operations until Sept. 15.

There is also a No Sail Order in effect issued by the Centers for Disease Control and Prevention that is currently set to expire on July 24.

Record loss in 2Q

Last week Carnival posted a \$4.4 billion loss in the second quarter and said it was unable to definitively predict when it will return to normal operations.

As a result, the company expects future capacity to be scaled back by the phased re-entry of its ships, the removal of capacity from its fleet and delays in new ship deliveries.

As part of its effort to reduce capacity, Carnival Corp said it was accelerating the sale of six of its ships in fiscal 2020. The ships were already scheduled to be sold as the company brings in new vessels, and Carnival expects the ships to leave the fleet in the next 90 days.

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B-F names Bourdier new Global Travel Retail Managing Director

Brown-Forman has named **Aude Bourdier** as the new Managing Director of Brown-Forman Global Travel Retail effective August 1, 2020. She replaces **Marshall Farrer** who has been named president of Brown-Forman Europe.

Bourdier, who joined Brown-Forman in 2018, had been serving as marketing director Brown-Forman Travel Retail as well as overseeing domestic marketing activities in the developed markets of Asia-Pacific. With her new duties she will be fully dedicated to global travel retail. She will remain based in London and report to **Thomas Hinrichs**, the newly named president of Brown-Forman Emerging International.

"Aude is the perfect person to take on the managing director's role and guide the very talented Brown-Forman travel retail team during these difficult times for the travel industry. She very successfully dealt with the after-effects of both the SARS and MERS outbreaks and I have every confidence she will do the same for Brown-Forman travel retail," said Farrer.

Previously with Bacardi-Martini, Bourdier has been elected to the Tax Free World Association (TFWA) Management Committee several times and served on the organization's board as Vice President, Commercial.

Travel spending in U.S. to plunge 45% this year

Total travel spending in the U.S. is predicted to drop 45% by the end of this year, according to a forecast prepared for the U.S. Travel Association by Tourism Economics. Domestic travel spending is forecast to drop 40% --from \$972 billion in 2019 to \$583 billion in 2020-- while international inbound spending is expected to freefall a whopping 75% - from \$155 billion to \$39 billion.



Duhamel gets expanded role at Montblanc

Richemont Group's Montblanc has appointed **Gregory Duhamel** as Director Key Accounts Department stores and Travel Retail Americas, as of June 18, 2020.

Duhamel joined Montblanc over five years ago and was most recently in the role of Director Travel Retail Americas. He will now in addition lead Montblanc's department store team in North America.

Jenel Gordon will report to Gregory.

Anouar Guerraoui, Managing Director, Wholesale North America, Caribbean and Travel Retail Americas, tells *TMI* that the new appointment is designed to increase the organization's effectiveness.

"We have decided to streamline our wholesale team to effectively and efficiently drive the long-term growth of our business," said Guerraoui, who also thanked **Viorica Cara**, who had been head of the department stores channel, for her contribution to the growth of Montblanc in the last 3 years.

Duhamel can be reached at Gregory.duhamel@montblanc.com

Total domestic trips taken by U.S. residents are expected to fall 30% from last year to 1.6 billion—the lowest figure since 1991, another recession year, says USTA.

The dismal figures have spurred U.S. travel organizations to make renewed calls for federal measures to support the industry that was one of the top U.S. employers and exporters prior to the pandemic.

Among the policy priorities members of the travel industry will discuss in Congress this week:

They will also call for extending Paycheck Protection Program eligibility to destination marketing organizations (DMOs). Most DMOs are currently ineligible for aid because they carry a non-profit or quasi-governmental designation.

Requests also include tax incentives for a strong and safe restart of the travel economy and protection from frivolous COVID-related lawsuits for businesses that follow proper health and safety guidelines, and provide a federal backstop for the issuance of pandemic risk insurance to give businesses financial cover from future outbreaks or another wave of infections.

Nearly 300 industry members are expected to participate in 75 online meetings with lawmakers in both the House and Senate this week.

TSA reports more travelers passing through checkpoints

The U.S. travel industry appears to be slowly bouncing back. The Transportation Security Administration (TSA) screened more than 2.2 million passengers at U.S. airports over the four days between Thursday and Sunday, June 18-21, 2020, making this the busiest weekend since March.

This 4-day total was still far below normal traffic through TSA checkpoints – in this period in 2019, the average number ranged between 2.6 million and 2.7 million per day.

TSA reports that June 5 was the first day the agency screened more than 400,000 travelers since March 22.

To help protect employees and travelers, TSA officials instituted health and safety protocols to increase social distancing and decrease physical contact at airport security screening checkpoints.

In related news, TSA confirms that more than 700 of its employees have tested positive for COVID-19 and five have died.

3Sixty re-enters ship supply sector, names Kehr to head new division

Stacey Kehr, most recently serving as Sr VP of Cruise & Wholesale for Fair & Swanson, has joined 3Sixty Duty Free & More (formerly DFASS Group), where she will lead the company's efforts to re-enter the ship supply sector. Kehr brings over two decades of leadership in travel retail, working closely with the cruise industry beverage and buying operations teams, as well as supply partners.



3Sixty Chief Operations Officer, **Alexander Anson-Esparza**, comments on the start-up of the new division: "Consistent with our roots as a supplier to the ship supply sector, we have re-established this division which will focus exclusively on the supply and distribution of wines and spirits to merchant and cruise vessels."

3Sixty is a growing force in Travel Retail including Omnichannel, and believes that it is well positioned to provide an exceptional offering and the service levels expected in the ship supply channel.

"We are delighted to have Stacey onboard and to re-establish the Ship Supply Division and we look forward to expanding our partnerships and our business in this sector over the coming months and years," commented Anson, "Consistent with our overall growth strategy we look forward to this division becoming a new pillar for 3Sixty."



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LGA's make-over features NYC-style retail in Terminal B from Marshall Airport Group



In more news from the opening of LaGuardia Airport's new Terminal B Arrivals and Departures Hall on June 13 -- which is part of the \$8 billion transformation of the airport by Governor Cuomo and the Port Authority of New York and New Jersey -- Marshall Retail Group (MRG) unveiled two impressive new retail concepts: the 15,000-square-foot The Bowery Bay Shops and 5,000-square-foot The DEAN.

The Bowery Bay Shops delivers a New York-centric shopping experience that connects travelers to iconic brands in a state-of-the-art immersive environment that pays homage to the city's architecture, cultural diversity, and extraordinary experiences, says the travel retailer.

Upon entering, passengers will be welcomed with first-of-its-kind shopping for locally-sourced artisan confections, gourmet eats, cutting edge electronics, Made in Queens gifts, local and national beauty brands and more. Notable brands include Artists & Fleas, Brooklyn Roasting Company, Kate Spade New York, Magnolia Bakery, and Strand Book Store -- an historic NYC institution carrying over 2.5 million used, new, and rare books.

The open, leading edge aesthetic of The Bowery Bay Shops transforms the space into a series of sensory surprises.

Guests can create custom digital portraits on a large-scale digital mural wall with backdrops by renowned 5Pointz graffiti artists including Meres One, Djalouz & Doudoustyleart, Monsieur Plume,

Jimmy C, and Dustin Spagnola.

Rotating pop-up shops provide travelers with first-hand access to an extensive assortment of travel-specific products and services.

Inside Terminal B, The DEAN is a fashion-forward men's emporium featuring bespoke products and services designed with the business traveler in mind.

The DEAN mixes ready-to-wear, luxury travel essentials, gifts and grooming services to create a relaxing atmosphere with featured brands ranging from Herschel, BOSS, Kiehl's, LaCoste, Mizzen + Main, Rhone, Shinola, The Art of Shaving, to TUMI, Vince Camuto, and more.

"All aspects have been meticulously curated by our team at Marshall Retail Group to offer an unsurpassed local sense of place to travelers and locals alike," said Michael C. Wilkins, chief executive officer of Marshall Retail Group.

Marshall Retail Group also operates The Scoop, a one-stop convenience destination offering an eclectic mix of locally made products, snacks and travel essentials along with an engaging digital news media experience.

As reported last week, Hudson opened two travel stores in LGA Terminal B, NYC Glow and Mad Ave Market, inspired by the New York City skyline and Madison Avenue.

The new Terminal B arrivals and departures hall will serve Air Canada, American Airlines, Southwest Airlines and United Airlines.



Canada now requires temperature screening for air travelers

Canada will now require temperature screenings for all inbound passengers or travelers departing Canadian airports for either international or domestic destinations, announced Minister of Transport Marc Garneau on June 12.

Under the new rule, air operators must conduct temperature screenings at the point of departure for international flights to Canada, unless the local authority has an equivalent measure in place, in addition to the existing required health check questions for symptoms prior to boarding.

Within Canada, Canadian Air Transport Security Authority screeners will conduct the temperature screening of passengers as part of departure screening procedures. Passengers must also answer health screening questions and wear face coverings.

“We have already introduced measures to reduce the risk of the spread of COVID-19, including mandating face coverings, and publishing health guidance for the air industry. Mandatory temperature screenings are yet another measure in our multi-layered approach to help protect the safety of the travelling public and air industry workers,” said Minister Garneau.

Canada is taking a phased approach to implementing the

temperature screening.

Phase 1: By June 30, 2020, all air operators will be required to conduct temperature screenings of all passengers traveling to Canada prior to departure from international or transborder points of departure.

Phase 2: By the end of July, temperature screening stations will be placed in the departure section of the four major airports that are currently identified as the only Canadian airports for international travel (Montreal, Toronto, Calgary and Vancouver).

Phase 3: By September 2020, temperature screening stations will be in place in the departure sections of the next 11 busiest airports in Canada (St. John's, Halifax, Québec City, Ottawa, Toronto – Billy Bishop, Winnipeg, Regina, Saskatoon, Edmonton, Kelowna, and Victoria).

In addition, all employees and personnel that enter or work in the restricted area of the airport will be subject to temperature screening procedures by Canadian Air Transport Security Authority personnel.

All passengers who have an elevated temperature and do not have a medical certificate to explain a condition that would result in an elevated temperature, will not be permitted to continue their travel and will be asked to re-book after 14 days.

Major U.S. airlines step up enforcement of face coverings

Trade organization Airlines for America (A4A) last week reported that its member carriers will be vigorously enforcing face covering policies, putting rigor around rules requiring passengers and customer-facing employees to wear facial coverings over their nose and mouth. This is one critical element of the multiple layers that A4A carriers are implementing to mitigate risk and protect passengers and crew.

Alaska Airlines, American Airlines, Delta Air Lines, Hawaiian Airlines, JetBlue Airways, Southwest Airlines and United Airlines will be implementing the policy immediately, which will include Preflight Communications, which may require passengers to acknowledge the specific rules during the check-in process; Onboard Announcements, and Consequences for Noncompliance.

Passengers who do not wear face coverings could have flying privileges revoked, says the A4A statement.

Mexico's Cancun region cautiously begins welcoming tourists back

Quintana Roo in Mexico (home to Cancun, Tulum, and Riviera Maya) along with Los Cabos on the Pacific Coast, began opening to tourism in June.

Cancun and the Riviera Maya welcomed their first tourists last week, after more than two months when almost all the hotels were shut, reports the *Riviera Maya News*.

Hotels are only allowed to open at 30% capacity to avoid crowding, with tentative plans to increase to 50% capacity in July.

Upon arrival in Mexico, travelers face health screenings like temperature checks and could be returned home or put in quarantine in Mexico if they are symptomatic.

Although the U.S.-Mexico land border will remain closed through July 21, (as will the northern land border with Canada) Americans are allowed to fly into Mexico.

American Airlines, United, Jet Blue, Sun Country, Air Canada and Neos airlines have begun flying into Cancun, with flights originating from Philadelphia, Charlotte, Chicago, New York,

Houston, Miami, and Dallas in the U.S., plus Toronto, Canada, and Milan, Italy.

Airport management company ASUR tells *Riviera Maya News* that Cancun International Airport is seeing increases in the number of daily flights.

On Friday, June 12, Cancun received the first Air Canada flight from Toronto. Over this past weekend, a flight from Italy landed, the first since the pandemic began.

ASUR reports a slight increase in airport operations at Cancun with 30 at the beginning of the week of June 8 to 62 as of Friday, June 12. This is still a long way from full. Flights coming and going are both national and international.

As reported, Dufry was planning to reopen its duty free store at Cancun T4 on June 8, to coincide with the partial lifting of the lockdown and the re-opening of the hotels in the Yucatan, Rene Riedi, Dufry CEO Central and South America told *TMI* earlier this month.

Tampa airport concessions begin to reopen as passenger numbers increase

Florida's Tampa International Airport (TPA) announced has begun to reopen the shops and restaurants in its terminal.

On June 10, TPA reopened its iconic pirate-themed Gasparilla Bar on Airside F. The reopening comes after the restaurant, along with many others, was closed for two months due to significantly reduced passenger numbers as a result of COVID-19.

TPA reports it that has seen a steady return of passengers over the past month. Numbers have increased from 85,998 to 229,851 – up nearly 170% percent.

With health concerns of all employees and guests “at the forefront,” TPA reports that shops and restaurants have installed acrylic shields at the registers along with social distancing floor markings. They have also upped disinfecting measures, and all employees are required to wear facemasks while working. Many locations have additional features, including touchless options like Apple Pay and self-checkout.

These procedures are in line with TPA's larger COVID-19 response plan, dubbed TPA Ready, which prepares the Airport for the gradual return of passengers.

Cayman Islands unlikely to reopen on September 1

Leading retailer ICL welcomes walk-in shoppers at Camana Bay

The Cayman Islands, which reported no new cases of the coronavirus over the weekend and two days last week, has still not yet announced official plans for reopening to tourism.

Earlier plans by the government to reopen by Sept. 1, are now said to be “unlikely,” according to local press reports.

Cayman began returning to normal only last week, with the lifting of the hard curfew and shelter-in-place regulations. Social distancing and wearing of masks in indoor public places are still required, but most businesses are open, people have returned to the beaches, and bars and restaurants with outdoor areas are back in operation.

While some of the tourism-based retailers qualified for curbside delivery during the height of the lock-down, most are not opening until the island opens to visitors again.

Nick Jackson, General Manager of **Island Companies, Ltd.**, one of the largest duty and tax free retailers in the Cayman Islands, tells *TMI* that the company was open for curbside and delivery for some of its Island Jewellers, Pandora, De Sunglass Man and Churchill’s Cigars locations.

Island Companies has 11 stores across Grand Cayman, including two in the airport.

The company recently opened its

Camana Bay location for walk-in customers, and is hoping that hotel locations at the Kimpton Seafire and Spa and The Ritz Carlton will open to local stay overs in July.

Meanwhile, the company is preparing for the full opening by undertaking a deep cleaning of its merchandise, fixtures and fittings throughout all its locations.

“Once we open to the public, increased measures will be undertaken to ensure our attention to health and safety is of the utmost importance at all times both for our clients and employees alike,” said Jackson.

ICL also took advantage of the closings to enhance its e-commerce efforts, which it used to sell to the local population. “The launch of our ecommerce platform island-wide has given our clients the ability to shop from our selection of internationally recognized brands from home during the current climate. Alongside our delivery and curbside pick-up, we have the ability to create great memories’ for all our customers,” he tells *TMI*.

Grand Duty Free – which targets both tourists and the local market shoppers– opened its store to walk-in customers at the beginning of June. Raymond Kattoura, who operates the store, reports that business has been positive and growing.



One of ICL’s De Sunglass Man stores in Grand Cayman.

Caribbean schedules re-openings

The U.S. Virgin Islands, Antigua, and St. Lucia began welcoming international tourists for non-essential travel on June 1. Jamaica opened on June 15. St. Bart’s opened on June 22.

The Bahamas and Aruba are planning to open on July 1, as is the Dominican Republic. Punta Cana airport confirmed it is opening on July 1, with flights from New York and San Juan, with other cities to follow.

Puerto Rico will resume inbound tourism on July 15. St. Maarten/St. Martin remain closed to tourism arrivals by air and sea.

All businesses in Barbados were cleared to reopen on Monday, June 15, but tourism will open more cautiously.

Barbados is set to reopen to commercial flights within the first two weeks of July.

First ASUTIL webinar brings regional TR industry together to discuss COVID crisis

South America Duty Free Association ASUTIL hosted the first of what are planned to be monthly webinars for the regional industry on Tuesday, as a way to help the business prepare for recovery.

ASUTIL Secretary General Jose Luis Donagaray oversaw a panel made up of Airports Council International Latin American & Caribbean (ACI-LAC) Director General Rafael Echevarne, who presented an excellent – if disturbing— overview of the state of air travel in the region in 2020.

Echevarne was followed by representatives from three key suppliers:

Markus Suter, Regional Sales & Market Manager Duty Free The Americas at Lindt & Sprungli; Gabriela Rodriguez, L’Oréal Travel Retail Americas Strategic Business Development Director (sitting in for Managing Director L’Oréal Travel Retail Americas Yannick Raynaud); and Anuj Roy, Global Head of Strategy, Insights and Intelligence for Pernod Ricard Global Travel Retail.

The suppliers were then joined by Dufry General Manager of South America Enrique Urioste, commenting on the retailer’s challenges, with a summation by Gustavo Fagundes, COO Dufry do Brasil y Bolivia and President of ASUTIL,

If there was a common theme through the session, it was the critical need for the industry to collaborate, and share information and ideas as the different sectors prepare for changes in a post-COVID world.

The program presented an excellent opportunity to share ideas and hear various viewpoints on key issue.

TMI will cover more details of the program in our next issue.

