

DFWC issues Global Retail Operations Recovery Protocols

The Duty Free World Council (DFWC) has issued recommended Global Retail Recovery Operating Protocols for Duty Free and Travel Retail airside stores at airports. These protocols are based on responses from over 300 stakeholders to a survey to determine how DF&TR stores can reopen in a way that inspires customer confidence and prioritizes the health and safety of passengers and staff.

These guidelines reflect broad consensus from across the industry but will necessarily vary depending on national regulations and the epidemiological assessment in each country. They focus primarily on airport stores, but many elements will be applicable to stores in other channels, and further work is underway to address specific differences that may exist.

DFWC President Sarah Branquinho, comments: "The Duty Free World Council welcomes the clear guidelines issued by ICAO which allow for the re-opening of DF&TR stores at airports, while ensuring passenger and colleague safety.

"The blueprint published today builds on the ICAO guidelines and provides more detailed recommendations for duty free and travel retail operators, based on widespread industry input. We have had an unprecedented level of industry engagement and I would like to thank all who have contributed to the consultation process."

A copy of the blueprint is available to download from the DFWC website [here](#).

The Duty Free World Council [Academy](#) will develop a training course to facilitate the implementation of the Protocols.

The course will be made available to the industry, free of charge, in the near future.

F&S closing leaves suppliers with millions of dollars of unpaid receivables

The Chapter 7 bankruptcy petition filed by Fairn & Swanson on June 2, 2020, which calls for liquidation of the 70-year-old company, could have a devastating and far-reaching impact on dozens of the company's suppliers.

According to the official petition filed in the California Northern Bankruptcy Court (Oakland), Fairn & Swanson owes more than \$19 million in secured liabilities, plus another \$21 million in unsecured liability debt. Much of the unsecured liabilities are owed to many of the spirits vendors throughout the region, and range from several thousands of dollars, to several million.

The repercussions of such debt are particularly damaging within the current business environment, when so much of the industry is shut down by travel restrictions due to the COVID-19 pandemic.

"This bankruptcy will have such a negative impact on small suppliers/distributors during such a bad time in our industry, especially in terms of cash flow," commented long-time spirits distributor Chase Donaldson. "I expect it will have a domino effect on everyone, because we still have to pay our suppliers."

Andy Consuegra, CEO of distribution company WEBB Banks, another company with "unsecured" liabilities, added: "The F&S bankruptcy is the biggest debacle to hit our industry in the 25 years that I have been involved in Travel Retail. We will get through the fall out, but it is a good reminder of how as an industry we need to do better in managing credit and product flow, working towards a more equitable partnership."

TMI understands that affected suppliers have begun to receive requests to file their claims.



In Memoriam: Tortuga founder Robert M. Hamaty

TMI is very sad to announce that Robert Hamaty, founder and owner of Tortuga Rum Company, passed away in a Miami hospital on June 13. He was 72.

A statement from the Tortuga company –which is based in the Cayman Islands – said that he passed away peacefully at the Miami Baptist Health Center.

A former airline pilot for Jamaica Airways and later for Cayman Airways, "Captain" Hamaty has been a leader in the Cayman Islands for decades.

The company became a major local and international success. The Tortuga rum cakes, especially, were a popular export from Cayman and were distributed throughout the world. The company also runs operations out of Jamaica, Barbados, the Bahamas, and Miami.

"Robby" Hamaty would often tell TMI how proud he was that the Tortuga rum cakes were the #1 export from Cayman. Tortuga celebrated its 35th anniversary last year.

In a statement in the *Cayman Marl Road* newsletter, the Hamaty family commented:

"Captain Hamaty will be forever remembered for the tremendous impact he made on so many in the community in both his native Jamaica and his adopted home Cayman, where he has lived since 1978. His many notable accomplishments include being one of Air Jamaica's first 12 commissioned pilots, his prominent position at Cayman Airways, his founding of the Cayman Airways Pilot's Association, his establishment of the Tortuga Rum company, his role as a founding Director of the National Building Society of the Cayman Islands, and his extensive tenure as Honorary Jamaican Consul to the Cayman Islands. However, his most important roles were as husband, father, grandfather, brother and uncle. He will be greatly missed.

"Both the local and international outpouring of love and support is much appreciated and of deep comfort to us during this difficult time."

Robert Hamaty is survived by his wife Carlene, daughter Monique Simmonds, and son Basil.

TMI extends deepest condolences to the Hamaty family.



"Captain" Robert M. Hamaty



Vantage Airport Group opens new Terminal B Arrivals & Departures Hall at New York's LaGuardia International Airport

New York LaGuardia International Airport officially opened its new Arrivals & Departures Hall at Terminal B on Saturday, June 13.

The opening represented a significant milestone in the \$5.1 billion transformation of the airport, reports Vantage Airport Group, the lead equity investor, developer and manager of LaGuardia Gateway Partners, which has been overseeing the redevelopment and operations of LaGuardia Terminal B since 2015.

The construction at LGA currently represents the largest public-private partnership in U.S. aviation history. With the opening of the new Hall at Terminal B, the project is now 80% complete.

New safeguards in place

The opening of the Arrivals & Departures Hall comes as the aviation industry navigates a new age of travel through the COVID-19 pandemic. In response, Vantage has implemented a rigorous set of new protocols to enhance existing health and safety standards at each of its airports, including Terminal B, in partnership with the Port Authority.

To ensure the safety and well-being of passengers and employees, new measures include reduced person-to-person contact via plexiglass screens, use of electrostatic fogging equipment for sanitization, physical distance queue management, and increased cleaning and sanitization of all areas.

The new 4-level 850,000 square foot Arrivals & Departures Hall houses ground transportation access, baggage carousels, an expansive check-in area, and a centralized, 16-lane TSA screening checkpoint with the most technologically advanced screening equipment. The Hall's fourth level is home to a new commercial district with shops and restaurants featuring New York favorites alongside global brands.

New York Sense of Place

The Arrivals & Departures Hall was designed to capture the vibrant New York spirit through architectural and design finishes inspired by New York's iconic neighborhoods, and a collection of public art installations commissioned for the terminal through a partnership with the Public Art Fund.

With the completion of the Arrivals & Departures Hall, construction will now move to demolition of the original terminal and the opening of gates in the western concourse.

Once finished, the new Terminal B will include 1.3 million square feet of new space, as well as elevated dual pedestrian bridges spanning active taxi lanes, a concept brought to life by design and architecture partner HOK.

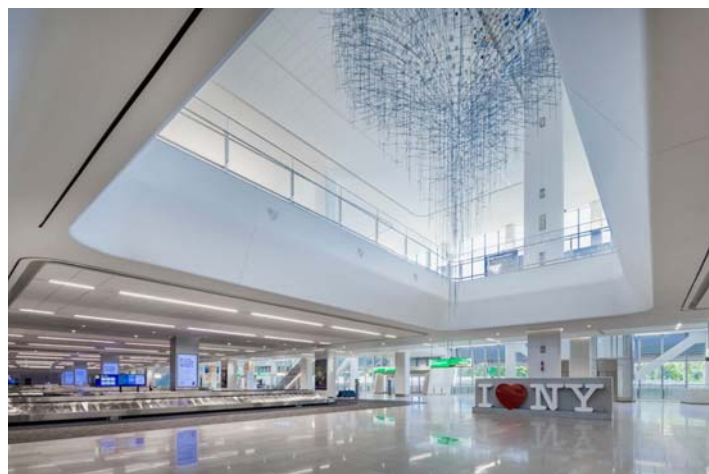
Vantage will operate Terminal B through 2050.

Project Highlights

The redevelopment includes a 35-gate terminal, a Central Hall, a parking garage, related roadways and supporting infrastructure – all with innovative construction phasing to deliver the project on time and without interrupting ongoing airport operations at one of the most critical airports in the U.S. airport system. The terminal's iconic design features two elevated pedestrian bridges that span active aircraft taxi lanes – a first in the world – connecting the main terminal to two island concourses.

Project milestones to date include the completion of the parking garage in February 2018, followed by the opening of the first 11 gates and commercial offering in the Eastern Concourse in December 2018.

The inauguration of the Arrivals & Departures Hall on June 13 also saw the opening of the first pedestrian bridge that connects the Hall to the Eastern concourse over the top of the original terminal.



New 850,000 square foot Arrivals & Departures Hall at LGA Terminal B opened for passengers on June 13, 2020. The new 4-level Hall houses a new commercial district on the fourth level with shops and restaurants featuring New York favorites and global brands.

Vantage Airport Group's current network is composed of ten airports, including LaGuardia Terminal B in New York and Midway International Airport in Chicago. As part of JFK Millennium Partners, Vantage has also been selected by JetBlue as its development partner for the planned redevelopment of John F. Kennedy International Airport's Terminal 6.

Vantage, headquartered in Vancouver, with a growing North American profile that includes a presence in New York, Chicago and Denver, has assisted 31 airports in its 26-year history, taking 20 from public to private management.

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Hudson bring an authentic New York Experience to LGA TB with two new retail concepts



As part of the opening of the new Arrivals & Departures Hall at LGA Terminal B, Hudson debuted two new localized travel convenience concepts: NYC Aglow by Hudson and Mad Ave Market by Hudson.

The new concepts are part of the new, seven year contract that Hudson has with LaGuardia Gateway Partners ("LGP"), the private operator and developer of Terminal B, and are in alignment with LGP's and the Port Authority of New York and New Jersey's ("PANYNJ")

redevelopment plans, says the company.

With the addition of these two new stores, Hudson now operates nine locations in Terminal B, including New York-based brands McNally Jackson and FAO Schwarz.

"Airports are a strong representation of the local communities they serve, and are truly the first and last impressions that a traveler has of a city," said Roger Fordyce, Chief Executive Officer of Hudson. "We have a responsibility to embrace the local history and flavor of a city in

our store designs and offerings, and so we're honored to introduce concepts to LaGuardia that represent the storied history of the airport, the city, and Hudson alike."

NYC Aglow is inspired by the New York City building skylines, and Mad Ave Market is inspired by the golden age of advertising in the 1920s. Featuring art-deco inspired designs, the concept creates nostalgia around one of New York's most iconic streets, Madison Avenue.

Both stores feature iconic brands plus locally-sourced gifts and snacks.

Hudson has worked with the PANYNJ for more than 30 years, opening its first store with the authority in 1987.

The new stores are operated under the HG LGA Retailers JV, a partnership between Hudson and its ACDBE partners Branded Works, Inc., Byrd Retail Group, LLC and Kelle Communications Group, Inc.

B-F's Jim Perry to take new corporate role

Jim Perry, Senior Vice President, Managing Director, Latin America Region, has been named the new Senior Vice President and Director, Global Public Affairs at Brown-Forman, effective August 1, 2020.

Perry is succeeding Jim O'Malley who is retiring on Dec. 31. O'Malley joined the company in 2008 as the first director of the company's newly-formed corporate affairs department.

In this role, he was responsible for overseeing Brown-Forman's global external activities related to social, community, economic, government, and environmental responsibility. He has served on the boards of the Distilled Spirits Council of the United States (DISCUS) and the International Alliance for Responsible Drinking (IARD), among other groups.

Perry joined Brown-Forman in 2000 as government relations manager, and has since led a number of Brown-Forman's regional businesses, including as managing director of Global Travel Retail. Most recently, Perry served as Managing Director, Latin America Region, consisting of three areas: PUB (Paraguay, Uruguay, Brazil), LAC (Latin America & Caribbean), and Mexico.



Jim Perry

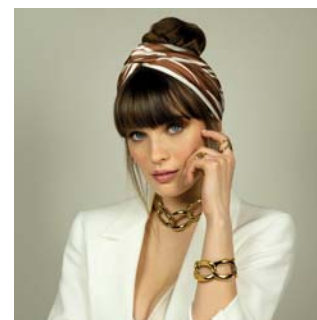
Rebecca Jewelry announces agency agreement for American market with IFE Luxe Group

Rebecca Jewelry has announced a new agency agreement for the distribution of its jewelry in the USA, Bermuda, Caribbean, and Canada through Dario Pastorelli's IFE Lux Group. Rebecca is a top-of-the-range brand of jewelry produced entirely by Industrie Testi Spa in the headquarters in Florence, Italy.

The company was founded in 2000 by Alessandro Testi, pioneer of the Italian fashion brands that combine raw materials such as sterling silver, bronze, steel with innovative, top-quality craftsmanship techniques. The fashion house is present in over 35 countries worldwide through flagship stores, independent specialty retailers and selected e-commerce partners, and is now looking to succeed in the American market.

IFE Lux Group President Dario Pastorelli, comments: "I am honored to guarantee the continuity of a worldwide known brand with such a prestigious name in this part of the world, a true symbol of Italian fashion and craftsmanship. We at IFE Lux Group will do all it takes to expand the distribution of Rebecca Jewelry into the best windows in the territory, with the high quality of service we offer, and Rebecca Jewelry well deserves."

IFE Lux Group – made up of Pastorelli and Anna Zordan -- is a consulting group providing jewelry and watch designers from Italy with retailer placement, brand building, merchandising, sales support, marketing tools, inventory management and support in all aspects of managing their brand's presence in the United States, Bermuda, Canada, and the Caribbean. Clients include brands like Locman watches and Rebecca Gioielli. <https://www.ifeluxgroup.com/>





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B-F 2020 fiscal results: TR practically at a halt in 4Q from COVID pandemic

“In a year marked by significant disruption,” Brown-Forman Corporation reports full year net sales increased 1% to \$3.4 billion (flat on an underlying basis). Reported operating income decreased 5% to \$1.1 billion (-6% on an underlying basis) and diluted earnings per share declined 1% to \$1.72. Brown-Forman’s fiscal year ends on April 30, 2020

For the fourth quarter, the company’s reported net sales declined 5% to \$709 million (-10% on an underlying basis) compared to the same prior-year period. Reported operating income decreased 18% to \$187 million (-27% on an underlying basis) and diluted earnings per share declined 20% to \$0.27.

Lawson Whiting, B-F President and Chief Executive Officer, comments: “First, I speak on behalf of the entire Brown-Forman family in saying that our hearts and thoughts are with all who have been so deeply affected by COVID-19. While this is a business challenge, it is, above all, a human tragedy. I would like to thank our 4,800 employees for their exceptional agility and creativity in quickly shifting and adapting to the recent events in such a short period of time.

“Brown-Forman has endured and prevailed through many challenges over the last 150 years. We believe we are well positioned to successfully navigate the environment we face today and emerge stronger thanks to the continued support of our shareholders, including the Brown family, our healthy balance sheet, the resilience of our people, and the strength of our brands.”

COVID-19 impact

Brown-Forman’s third quarter results, ended January 31, 2020, reported year-to-date net sales increased 3% on both a reported and underlying basis with underlying net sales trends holding through February. In early March, the company revised its full-year outlook to include an estimate for the impact of COVID-19 on its

results from Asia, most notably China, and Travel Retail only.

The rapid spread of the virus resulted in all of the company’s major markets being negatively affected, says the company

“COVID-19 began to affect our performance in the middle of March and continued throughout April as both on-premise, representing approximately 20% of our business globally, and Travel Retail channels essentially came to a halt. We experienced strong growth in the off-premise (based on syndicated takeaway data) and e-Premise channels across most of our developed markets as country lockdowns and government restrictions took hold reflecting both an increase in at-home consumption and some pantry loading,” said Jane Morreau, B-F’s Executive Vice President and Chief Financial Officer.

Fiscal 2020 Highlights

Even in a difficult year, B-F’s business grew in the United States, its largest market, with underlying net sales up 5% (+8% reported). Growth was fueled in part by the fall 2019 launch of Jack Daniel’s Tennessee Apple. Growth slowed in the fourth quarter as COVID-19 related impacts began to take effect.

Double-digit underlying net sales growth for Woodford Reserve, Old Forester, Jack Daniel’s RTDs, Herradura, and el Jimador collectively, also contributed to the growth for the year in the U.S.

International markets suffer

Travel Retail’s underlying net sales declined 10% (-11% reported) largely reflecting the unprecedented implementation of travel bans and restrictions caused by the pandemic.

Underlying net sales in the company’s emerging markets fell 1% (-4% reported) as net sales growth through the third quarter of fiscal 2020 was offset by significant declines in the fourth quarter. In Mexico, the company’s largest emerging market, underlying

and reported net sales declined 7% as the recessionary economy was further hindered by the effects of the health pandemic.

The developed international markets’ underlying net sales declined 1% (-2% reported) with the pandemic negatively affecting fourth quarter performance across these markets. In the United Kingdom, the company’s largest international market, underlying net sales declined 8% (-10% reported).

Australia and France’s underlying net sales each declined 1% (-5% and -1% reported, respectively). In Australia, lower volumes of Jack Daniel’s RTDs and Jack Daniel’s Tennessee Whiskey were only partially offset by volumetric growth from the super-premium American whiskey portfolio.

Declines in France were driven by lower volumes for Jack Daniel’s Tennessee Whiskey, offsetting volume growth from Jack Daniel’s Tennessee Honey and the launch of Jack Daniel’s RTDs. Despite the challenging environment in the final weeks of the fiscal year, Germany’s underlying net sales grew 7% (+8%

reported) fueled by volume growth for Jack Daniel’s RTDs.

The brands

B-F’s brands continued to grow both in the U.S. and international markets.

Jack Daniel’s family of brands underlying net sales were flat (+1% reported). Underlying net sales growth from Jack Daniel’s Tennessee Apple, Jack Daniel’s RTDs and Jack Daniel’s Tennessee Honey was offset by declines in Jack Daniel’s Tennessee Whiskey.

B-F’s premium bourbons grew underlying net sales 21% (+24% reported) led by Woodford Reserve’s 19% underlying net sales growth (+23% reported) and supported by even stronger underlying growth from Old Forester.

B-F’s tequila portfolio grew underlying net sales 2% (+5% reported) as high single-digit growth in the U.S. was partially offset by declines in Mexico. Herradura grew underlying net sales 7% (+11% reported) and el Jimador grew underlying net sales 5% (+8% reported), while underlying net sales for New Mix declined.

Brown-Forman sells Early Times, Canadian Mist, Collingwood to Sazerac

Brown-Forman announced today that it has reached an agreement to sell the Early Times, Canadian Mist, and Collingwood brands, and the Canadian Mist production assets, to Sazerac Company.

The sale reflects the continued evolution of B-F’s portfolio strategy to focus on premium brands, says the company. Brown-Forman has actively managed the shape and contents of its portfolio over the last decade and a half through developing, acquiring, and divesting various businesses and brands. The company believes this portfolio management, alongside innovation, will allow it to continue to focus on the best growth prospects and value creation over the long term.

“Early Times and Canadian Mist have been valued brands in our portfolio for many years, and they each have played significant roles in our company’s history,” said Lawson Whiting, President and Chief Executive Officer, Brown-Forman Corporation. “We are thankful to all the people who have distilled, bottled, shipped, marketed, and distributed these brands with care over the years.”

Early Times, which is celebrating its 160th anniversary this year, was the first brand Brown-Forman purchased in 1923. Canadian Mist joined its portfolio in 1971 and was the company’s first production operations outside of the United States.

The sale of these brands is expected to close later this summer.