

TFWA looks ahead: *TMI*/speaks with Erik Juul-Mortensen and John Rimmer

Travel Markets Insider Publisher Lois Pasternak recently had a chance to speak at length with TFWA President Erik Juul-Mortensen and TFWA Managing Director John Rimmer about a range of topics, including the upcoming Tax Free World Exhibition & Conference in Cannes; the industry's new global campaign against illicit trade, and a prognosis of the future of travel retail.

Here follows highlights of their candid and considered observations.

TMI: Let's start our discussion taking a look at the newly announced DFWC & TFWA campaign against illicit trade, counterfeiting and intellectual property theft. What has been the progress/reactions to the announcement of the campaign so far? What do you hope it to achieve?

Erik Juul-Mortensen: The associations are currently putting together a 12-month activity plan, which should be ready in a few weeks, and will cover activities, activations, PR, all the elements of such a plan. It will include anything we can do to contact bodies around the world, such as stakeholder events. And we hope to get all the associations (and the press) working with us.

There is no doubt this is a global issue. One of the main goals is to illustrate that the duty free and travel retail channel is highly regulated and monitored and very safe for consumers to shop in. A lot of brand producers are suffering from illicit trade. I come from the brand producer world and we had enormous problems and have seen some amazing examples of people trying to produce illicit and counterfeit goods.

I am glad that we have connected with the Duty Free World Council to work together.



Trusted for over 75 years



Erik Juul-Mortensen

Tax Free World Exhibition & Conference 2022

TMI: From the responses to date, what kind of attendance are you expecting in Cannes this year?

John Rimmer: We have had a very positive response to date, both from exhibitors and visitors. We are very encouraged by the number of exhibitors that have committed to the event. We don't want to tell you that we will be back on par with 2019; we won't be quite at that level yet, but we will be significantly higher than in 2021.

Last year, as you know, there were many understandable reasons why some people were not in a position to join us, including very strict traveler restrictions in place in certain parts of the world.

This situation has improved and the number of exhibitors will be significantly up on last year's number. We won't be at the same level as pre-COVID times, but we won't be all that far from it.



John Rimmer

TMI: Now that China appears to be opening a little, what kind of Asian presence do you think might be attending?

EJM: Yes, China is opening up, but I don't think we should become too optimistic about the number of Chinese visitors. But I do think we will have a good representation of Asia as a whole. We have had a very good response from Japan, Korea and Southeast Asia. That is really positive. Also, a few companies from Hong Kong have announced that they will attend.

But there will be other companies from China that will not attend.

JR: We have had some Chinese companies contact us to determine what they need to do in order to come, and we have given them whatever information we can that is accurate now. So there is a desire to attend, but there are still some serious restrictions in place regarding travel from China. We have to be realistic about the level of visitors from China.

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Rene Riedi re-elected IAADFS Board Chairman



Rene Riedi

The International Association of Airport and Duty Free Stores (IAADFS) Board of Directors has re-elected Rene Riedi of Dufry to serve another term as Chairman of the Board. The new term will run through June 2023.

"It is an honor to be chosen by my peers to continue serving in the role of Chairman of IAADFS," said Riedi. "I deeply appreciate the dedication of my fellow Board members in devoting time as volunteer leaders for the organization."

"Rene has been a real asset while serving as the Board Chairman," said IAADFS President and CEO Michael Payne. "We have all benefited from his thoughtful approach to challenges and his steady leadership, especially during the pandemic and as we have been working through the recovery."

The Board also elected Padraig Drennan of Stellar Partners, Inc. to serve as Vice Chairman and Erasmo Orillac of Motta Internacional, S.A. to serve as Treasurer and Audit Chair.

Prior to officer elections, the concessionaire members of IAADFS re-elected Riedi as well as Nuno do Amaral of Aer Rianta International and Michael Halpern of International Shoppes to serve as members of the Board of Directors.



TFWA

WORLD
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THE DUTY FREE & TRAVEL RETAIL GLOBAL SUMMIT

02 - 06 OCTOBER 2022 - CANNES



TMI speaks with TFWA's Erik Juul-Mortensen and John Rimmer*Continued from page 1.***Health measures**

TMI: Do you anticipate any new anti-COVID measures in place from the French government?

EJM: Details are on the TFWA website, with links to the current regulations in France. I think that you must still prove you are vaccinated in order to enter France, but non-vaccinated visitors are allowed if they meet certain other requirements. It also depends on the country from which you are traveling.

JR: More of an issue is that it must be a vaccine approved by the European Union. And that is one of the questions we get from our colleagues in China, since their vaccine is not on this list. And that is beyond our control, obviously.

But we do provide people with the current information, which can be accessed here:

<https://www.tfw.com/tfw-world-exhibition-conference/information-for-visitors-to-cannes-100011968>

New for Cannes 2022

TMI: In addition to repeating the very popular TFWA Lounge, are there any other special new events we can look forward to in Cannes this year?

EJM: We are continuing the **TFWA Lounge** from 6-9 each evening down by the Carlton Beach. There will also be a

"Lounge" where people can get together on the first day. For me, that is a very positive development.

JR: It will give everybody an opportunity to get together before the business of the week starts.

EJM: In addition, there will be a **night-time Lounge** at the same location, which will be open until 2 am in the morning. So there should be ample opportunity to socialize and get together, and hopefully, have a very productive event. All of these are free to registered attendees.

JR: We are also bringing back **workshops** this year with two on the schedule. Following the Opening Conference on Monday morning, Oct. 3, we are holding an Airport Forum with some of the world's leading airport managers on stage on Tuesday morning, at a time to be announced. On Wednesday morning we will hold a workshop on Innovation in Action to showcase some exciting developments that will be shown in the iLab.

Exhibition space

TMI: How will overall space compare to 2019 levels?

EJM: It is very unlikely that we will reach the 2019 level of exhibition space but we will be getting near that level. Not a day goes by that more companies come onboard. We will be much bigger than last year.



JR: We do not have infinite space, but we have been able to cater to last minute requests, and work down the waiting list.

Also, this year we are using some of the Palais space to house the iLab component of the show. In the past, we had held the Innovation Lab in a structure outside the Palais. That will be a showcase for some of the new developments in technology and other services that are being used to engage travelers.

EJM: It is also interesting to note that we have seen interest among quite a few exhibitors to increase their space from last year or 2019. I think this is a very positive signal.

Scheduling conflicts: Yom Kippur

TMI: As has happened at times in the past, the timing of the show this year coincides with the Jewish holy day of Yom Kippur. What impact, if any, are you seeing with the conflict in terms of attendance?

EJM: We are extremely sorry when things like this happen.

Unfortunately, we are not always able to control the schedule. We have to accept pretty much what is available and work with the authorities in Cannes.

We are aware of the issues that are created from time to time. We also run into conflicts with the Northern European school holidays, which generated numerous complaints. We also ran into a conflict with China's Golden Week.

Yom Kippur, of course, is so important that we perfectly understand the people who cannot attend. Going forward, we will also see another conflict with Golden Week. It is very difficult to schedule events when the dates of these events are moving every year.

But it is certainly not our intent to have any of these conflicts and when we sit down with the city of Cannes and the authorities, we are aware of the dates in the future and we are trying to do what we can to avoid this.

JR: This is a source of great regret for us. A lot of the events that had been pushed back during the pandemic have been rescheduled and there are fewer slots available. This is now a very busy time of the year. This is unfortunate.

Cannes is always about quality. And when we have some companies whose top management may be of the Jewish faith and can't attend, that is unfortunate, no matter how many or how few people it is.

EJM: These colleagues and companies are a vital part of our industry that we will be missing, and that of course is very sad.

Continued on next page.



Save the date!

Encuentro de Border Shops 2022

November 8, 9 & 10

Hyatt Centric Montevideo

TFWA's Erik Juul-Mortensen and John Rimmer: industry overview

Continued from page 2.

Travel Retail industry overview

TMI: What do you see ahead for Travel and Travel Retail in the next year?

EJM: I am not as optimistic as some of my colleagues. I would like to be optimistic and I know there is a big demand for traveling again. But at the same time I see the issues we have in the world, certainly in Europe. Airports are not functioning, airlines are not functioning, these are not getting better; we have the Ukraine issue, very sadly.

But we also know that people want to travel, and they will continue to travel. They will come back. But there are some issues that we should not neglect. And I see now that the number of delayed airplanes in Europe; canceled flights in Europe, are not getting better. So currently there are tremendous issues that will no doubt keep some people from traveling.

JR: I may be the glass half full optimist here, even as the situation in Europe is pretty challenging. Nevertheless, it is nice to see these airports so full, and stores are open and people are shopping. This is what we have missed over the past two-and-a-half years. It is frustrating that there are sales we are going to miss for all the reasons that Erik has outlined. We have so much pent-up demand.

TMI: On a more positive note, how has the return of the "duty free" business from travel between the UK and the EU been progressing? What do you see ahead for this market?

EJM: I think people still have to get used to the return of duty free when they leave the UK or fly back to the UK. From what I can see it has been a very welcome addition to the business and one of few positive things to come out of Brexit.

North American recovery

TMI: Looking at North America, we are traveling and people are buying. Do you see this continuing?

EJM: I can't see why not. I am pleasantly surprised to see how quickly the U.S. numbers have come back. It's a very positive story.

TMI: Has the COVID-19 crisis changed the travel retail map: are geographic priorities "pivoting" from east to west? Quite a few companies have begun investing in the U.S. travel market again, after a long time focusing on China.

JR: It is very encouraging to see the Americas emerging so rapidly from the crisis. Also the markets in the Caribbean, which are particularly diverse in a duty free sense.

But Asia is still going to be an absolutely crucial and dynamic market; that will continue. It doesn't have to be one or the other, in terms of east or west. One is not at the expense of the other. All these markets are investing to be present wherever they go. I think that Asia will be back in a big way, starting next year.

Travel retail is such a diverse business. Look at the US-Canada border – which is still struggling. They are a lot of little stores but when you put them all together it can be a significant market.

TMI: What do you see as the biggest short-term challenge to recovery in travel retail?

EJM: I think peace in Ukraine is a must. Other than this, we need to get the airports back to work, and if we do that, people will start traveling again.

TMI: We are seeing a continuation of some major consolidations in travel retail, the most recent being the Dufry-Autogrill merger. While I know you cannot comment on that, what is your reaction to consolidation of this type? In addition, do you think the blurring of the lines between Food & Beverage and Retail is a plus or a minus to the business in the future?

EJM: I cannot comment on this specific deal, but in general, consolidation is part of the game and there are other big operators that have already consolidated with both the catering and retail side. So this wouldn't be the first time. At the end of the day, anything that will benefit the consumers, will be a good development.

MIA on pace to serve record 50 million passengers in 2022

Miami International Airport (MIA) is experiencing its busiest year ever and is on pace to surpass 50 million annual passengers for the first time in its history. MIA's previous annual record is 45.9 million passengers, set in 2019.

According to statistics released this week, MIA served 25.5 million passengers through the first six months of 2022, an 8.5% increase over the midpoint of the airport's record year in 2019. Domestic passengers led the way with an increase of 26% compared to 2019 for 15.3 million travelers year-to-date.

The international passenger count of 10.2 million was 10.5% below its 2019 level but 102% above last year's midpoint number, as global travel rebounds steadily.

MIA's rebound since the pandemic is the strongest among all large U.S. hubs, according to Airports Council International-

North America. A recent report by the industry organization ranked MIA as the fastest-growing large U.S. airport in airline seat capacity in the first quarter of 2022 compared to the same period in 2019, and one of only six U.S. airports with positive growth during that period.

In 2021, MIA also became the busiest U.S. airport for international passengers, remained the busiest U.S. airport for international freight, and moved up among the world's airports to 12th place for total passengers and 9th place for aircraft movements.

After two consecutive years of record-breaking growth, cargo shipments at MIA continued to soar as well with more than 1.3 million tons through June, for an increase of 3.2% over last year. International freight was up 2.7%, while domestic tonnage grew 5.8% year-over-year.

"We are thrilled to see MIA reach new heights in 2022 and to be on track for our best traffic year ever. Thanks to our airlines and federal partners, we are proudly welcoming more visitors and cargo to Miami-Dade County than ever before, and we look forward to having an even more successful second half of the year," commented Ralph Cutié, MIA Director and CEO.

See more on the ACI airport rankings on next page.



U.S. airports dominate latest ACI ranking of Top 20 busiest airports

Underlining the remarkable travel recovery underway in the United States, U.S. airports account for 11 of the Top 20 Busiest Airports in Airports Council International (ACI) World's annual World Airport Traffic Dataset for the full year 2021.

Passenger traffic

In 2021, ACI reports that the world's airports accommodated 4.6 billion passengers, representing an increase of 28.3% from 2020. But this is still a drop of 49.5% from 2019 results. The top 20 airports, representing 19% of global traffic (863 million passengers), experienced a gain of 42.9% from 2020 or a drop of 31.9% vis-à-vis their 2019 results (1.27 billion passengers in 2019).

Hartsfield-Jackson Atlanta International Airport (ATL, 75.7m passengers, +76.4%) is back on the top of the 2021 rankings followed by Dallas Fort Worth (DFW, 62.5m passengers, +58.7%) and Denver (DEN, 58.8m passengers, +74.4%).

Chicago (ORD), Los Angeles (LAX), Charlotte (CLT) and Orlando (MCO) round out the next four spots.

Chinese airports Guangzhou and Chengdu take the eighth and ninth rankings, (both with passenger volumes down from 2020).

U.S. airports Las Vegas (LAS), Phoenix (PHX) and Miami (MIA) follow, with Seattle (SEA) coming in at the 16th spot.

Latin American-based Mexico City Airport (MEX) is ranked #17.

Outside of the Americas, New Delhi (DEL), Istanbul (IST) and Shenzhen (SZH) fill the 13th-15th spots. Chinese airports Chongqing, Shanghai and Beijing round out the top 20 in passenger traffic.

Miami International showed the greatest improvement, with passenger traffic up by 99.9%, nearly doubling from 18.664 million in 2020 to 37.3 million in 2021.

From the top 20 rankings, almost all airports have significant domestic traffic representing 65% to 100% of their total passengers, says ACI. The only exception is Istanbul International Airport (IST) with a larger international traffic share (72% of passenger traffic).

Aircraft movements

U.S. airports also dominated the ranking in terms of aircraft movements, with 15 of the 20 positions, including the 1-11 spots.

ACI reports that 2021 global aircraft movements are close to 74m, representing a gain of 18.7% from 2020 results or -28.2% versus 2019.

The top 20 airports, representing 12% of global traffic (8.7m move-ments), increased 27.9% from their 2020 results, although this was still down by 15.7% vis-à-vis their 2019 results (10.3m in 2019).

ATL is at the top with 708 thousand movements (+29.1% from 2020) but still below its 2019 result of 904 thousand movements (-21.7%). ORD is still in second rank after leading ATL in 2019 and 2018.

"Following the release of preliminary data earlier in the year, we are pleased to share ACI's complete annual World Airport

Traffic Dataset," said ACI World Director General Luis Felipe de Oliveira.

"2021 represents the beginning of the aviation industry's recovery. While some of the perennial busiest airport leaders have re-joined upper ranks, other regions struggle to recover leading to new entrants in the top 20. With many countries taking steps towards the return of a certain normality, lifting almost all the health measures and travel restrictions as supported by science, we welcome the continuation of air travel demand's recovery in 2022, despite certain headwinds."

PASSENGERS*					
2021	2020	AIRPORT	2021	2020	Percent change
1	2	ATLANTA GA, US (ATL)	75 704 760	42 918 685	76.4
2	4	DALLAS/FORT WORTH TX, US (DFW)	62 465 756	39 364 990	58.7
3	8	DENVER CO, US (DEN)	58 828 552	33 741 129	74.4
4	13	CHICAGO IL, US (ORD)	54 020 399	30 860 251	75.1
5	15	LOS ANGELES CA, US (LAX)	48 007 284	28 779 527	66.8
6	18	CHARLOTTE NC, US (CLT)	43 302 230	27 205 082	59.2
7	27	ORLANDO FL, US (MCO)	40 351 068	21 617 803	86.7
8	1	GUANGZHOU, CN (CAN)	40 259 401	43 767 558	-8.0
9	3	CHENGDU, CN (CTU)	40 117 496	40 741 509	-1.5
10	22	LAS VEGAS NV, US (LAS)	39 754 366	22 254 511	78.6
11	26	PHOENIX AZ, US (PHX)	38 846 713	21 928 708	77.2
12	38	MIAMI FL, US (MIA)	37 302 456	18 663 858	99.9
13	16	NEW DELHI, IN (DEL)	37 139 957	28 500 545	30.3
14	20	ISTANBUL, TR (IST)	36 988 067	23 330 411	58.5
15	5	SHENZHEN, CN (SZX)	36 358 185	37 916 054	-4.1
16	32	SEATTLE WA, US (SEA)	36 154 015	20 045 348	80.4
17	25	MEXICO CITY, MX (MEX)	36 056 614	21 981 711	64.0
18	6	CHONGQING, CN (CKG)	35 766 284	34 937 789	2.4
19	10	SHANGHAI, CN (SHA)	33 207 337	31 165 641	6.6
20	7	BEIJING, CN (PEK)	32 639 013	34 513 827	-5.4

* Total passengers enplaned and deplaned, passengers in transit counted once

[CLICK HERE TO SEE CHART OF AIRCRAFT MOVEMENTS](#)

Harper Dennis Hobbs brings in Nadine Heubel to head up expanded Travel Retail division in North America



international duty free leader, Gebr. Heinemann SE & Co. KG.

Simon Black, Executive Director at Harper Dennis Hobbs, commented: "We are ambitious in our plans to expand our business in North America and create a truly global travel retail business. As our business continues to grow and diversify, we are furthering our ability to support client travel retail business development on a global scale through all channels."

"Nadine brings a wealth of industry-leading experience, and I am thrilled that she will play a key role in growing Harper Dennis Hobbs internationally."

Heubel added:

"Joining the Harper Dennis Hobbs travel team is an exciting move. HDH has an outstanding reputation in the travel retail sector, and I can't wait to take the lead on expanding the firm's presence in North America."

Over the past year, the HDH Travel Retail Team has supported its clients in securing a total of 27 new international airport stores, 141 cruise ship openings and over 45 new airport and airline listings, in addition to working with four international airports to help shape and create new commercial strategies.

For more information about Harper Dennis Hobbs, visit hdh.co.uk.

London-based strategic retail property consultancy Harper Dennis Hobbs (HDH), part of Newmark Group, Inc., has announced the hire of Senior Managing Director Nadine Heubel to head up travel retail operations in North America. Heubel will be responsible for leading and advancing the HDH Travel Retail Team's North America business.

The HDH Travel Retail Team has more than 10 years' experience supporting expansion of travel retail for the world's leading retail and hospitality brands, in addition to developing international airports' commercial offerings, with a focus on growth in the U.S. and Canada.

Starting her career at Hugo Boss, Heubel rose to the position of Global Head of Travel Retail, before her most recent position as CEO of Heinemann Americas, Inc., the US-based subsidiary of

Duty Free Dynamics welcomes Zuru Brands to its portfolio

Duty Free Dynamics (DFD) is expanding its toy portfolio, with the introduction of Mini Brands, Mini Toys, Mini Fashion, Pets Alive (see below), Robo Alive and Rainbocorns.

DFD will be distributing the iconic brands within the world travel retail channel.

These brands are owned by Zuru Toys (ZT), one of the largest, fastest growing, most innovative and disruptive toy companies in the world. ZT designs, manufactures and markets toys and consumer

products distributed in 120 countries, "delighting millions of families all over the world," says DFD.

Focusing on growth, Zuru is consistently researching, experimenting and launching new products, as well as partnering with entertainment icons such as Disney, Dream Works, Nickelodeon and Universal Studios, building new generation brands to better serve modern consumers and paving new ways for kids to play, says DFD.


ZURU™

Dufry extends its retail contracts at Belo Horizonte International Airport in Brazil

Further consolidating its strong footprint in South America, Dufry has extended its current duty free contract at Belo Horizonte International Airport in Brazil for two additional years, through to 2029.

It has also been awarded a ten year contract to continue to operate its current portfolio of four duty-paid stores, including the Dufry Shopping and Hudson concepts; and also to build three new duty-paid stores, one of which will be a 670 sq.-meter walkthrough store.

Belo Horizonte International

Airport is operated through a partnership of CCR and Zurich Airport, and is the seventh largest airport in Brazil in terms of passenger numbers, handling over 11 million international and domestic passengers every year (base 2019).

Dufry has been present in the airport since 2007, operating a total of 10 duty free and duty-paid stores covering a combined retail area of 1,605 square meters. This new contract, with the four additional duty free stores, will increase

Dufry's retail space to 2,228sqm.

With shops spread across the whole airport, Dufry will be able to offer shopping to all customers, both domestic and international. The stores will carry a wide range of goods across all the key product categories including beauty, liquor, food & confectionery, tobacco, toys & souvenirs, electronics, fashion and luxury accessories.

Gustavo Fagundes, Chief Operating Officer for South America comments, "Dufry is delighted to have not only extended

our current contract at Belo Horizonte International Airport, but to also have been awarded the contract to build and operate three new duty-paid stores. One of these will be a walkthrough "megastore" incorporating the latest digital technologies, alongside an extensive product mix comprising internationally renowned brands, exclusive products and new launches. Our sincere thanks go to our partners at BH Airport for the continued trust they have shown in Dufry."



Shiseido celebrates 150th anniversary with global campaign: From Life Comes Beauty



SHISEIDO is celebrating its 150th anniversary with the launch of **From life comes beauty.**, a global campaign which conveys SHISEIDO's focus on life as the essence of beauty and its ongoing pursuit of uncovering the mechanisms that connect beauty and life. The campaign also marks the launch of three limited-edition products that were realized from the brand's Life Science research.

For the past 150 years, SHISEIDO has been studying the connection between life and beauty through its research into immunology, neuroscience, and the bloodstream.

From this research comes three limited-edition products in SHISEIDO's 150th anniversary collection, which individually symbolize "Heritage," "Living Innovation," and "Future," to signify SHISEIDO's past, present, and future.

The arabesque motif on the design was first featured on wrapping paper created in the Taisho era (1912–1926) by Sue Yabe, a member of the company's design department at that time. Transformed from the original design using 3D software, the new designs express the dynamism of life that opens up a new future while harnessing the assets of the past.

Two of the limited-edition icon products have been launched in travel retail: Symbolizing SHISEIDO's *Heritage*, **EUDERMINE Revitalizing Essence** was launched in 1897 as the brand's first skincare product formulated based on Western pharmacology. Marketed as a high-grade lotion, it became known as "SHISEIDO's Red Water" and was relaunched in 1997 as EUDERMINE Global to mark its centenary.

Packaged in an FSC-certified paper carton, the new limited edition is presented in a glass bottle reminiscent of its original shape, etched with SHISEIDO's arabesque design and showcasing the lotion's vivid red color that has become synonymous with EUDERMINE.

SHISEIDO's bestselling serum, **ULTIMUNE Power Infusing Concentrate III** – symbolizing *Living Innovation* – was renewed in 2021 to further enhance the skin's inner defences. Powered by advanced dermatological research, ULTIMUNE combines world-leading technology, The Lifeblood™, with ImuGenerationRED Technology™ to boost blood circulation and strengthen the skin's inner defences for a healthy vibrant look.

The 150th anniversary limited-edition EUDERMINE and ULTIMUNE (both 100ml) are now available in Travel Retail Asia and Japan; ULTIMUNE is available in Travel Retail Americas.

DFS invites customers to "Open Up Your Horizons" with powerful metaverse and in-store beauty campaign

DFS Group will welcome customers into its first-ever virtual universe – DFS World – this August and September through the launch of its largest-ever Annual Beauty Campaign.

The *Open Up Your Horizons* campaign invites customers to discover the limitless possibilities of beauty, from premium skincare and fragrances to new and emerging trends, through a combination of in-store activations as well as a fully interactive, shoppable digital luxury playground.

Featuring three themes, the campaign celebrates today's confident, daring and imaginative beauty connoisseur in real life as well as in the boundless and magical metaverse.

The first beauty theme, "Effortless, Not Lazy", shows easy, uncomplicated and timesaving looks with luxury makeup for on-the-go, low-maintenance beauty

consumers. "Stay Up, Glow Up" challenges with more daring late-night party looks and morning-after skincare recovery. "Future You" makes every face metaverse-ready with luminous, fluid cosmetics and scents inspired by digital filters and virtual worlds.

Each look is supported by DFS' highly curated range of products, allowing every customer to open their horizons with the latest in beauty.

In stores, the Annual Beauty Campaign is brought to life with super-saturated color and hyper-real models who represent the exuberance and diversity of DFS' global customers. Upon spending a designated amount in-store, customers will receive a Beauty Guide mystery box containing a random Beauty Guide collectible figurine, with a total of five styles to collect. The figurines have detachable body

allowing customers to mix and match to create their very own Beauty Guide. The box also contains an invitation to visit DFS World, with instructions to redeem a complimentary, exclusive NFT as users navigate the metaverse.

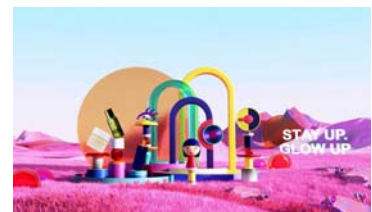
Linking the physical and digital experience together, once online, the cast of miniature mascots guide visitors through DFS World and invite them to capture exclusive DFS NFTs and win prizes while they shop.

A series of experiential multi-brand and premium brand zones from Guerlain, Estée Lauder, YSL Beauty and Giorgio Armani are also available within the metaverse for customers to discover the latest in beauty through fun, interactive games and experiences.

The Annual Beauty Campaign will run from August 1 to Sept. 30 in select DFS locations around the

world, including Abu Dhabi**, Auckland, Bali**, Guam, Hong Kong, Honolulu, Los Angeles, Macau, New York, Okinawa, San Francisco, Saipan and Sydney.

**Campaign will run from September 1 to October 31.



Rouge Duty Free to celebrate opening of Maison in St. Croix as island enjoys investment boom

Rouge Duty Free is set for a soft opening of its new flagship in St. Croix at the end of this month. Located in an historic mansion in the heart of Christiansted's business district, Rouge Maison will house 2,500 square feet of retail space on the ground floor, an al fresco Rouge Bistro out back, as well as a Rouge Market House, selling liquor, champagne, wines, imported sweets, and more.

The first phase of the retail, featuring Luxury Fragrance & Beauty and Liquor & Champagne, is opening in July. According to Raymond Kattoura, whose company Duty Free & Travel Retail Group Inc. helps operate the business for Rouge Duty Free, they will soon add in Designer Sunglasses, and are planning to have the personalized counters, including Leather goods by Furla Italy, and the Bistro ready before the Fall.

Already open for the past few months, Rouge also operates a small boutique luxury Airbnb on the second floor of the location. The four-suite hotel overlooks both its Terrassa on one side and historic Company Street on the other side, says Kattoura.

Rouge Maison is the company's third location in the U.S. Virgin Islands, following its Beauty store in St. Thomas and the opening of its first St. Croix flagship in December 2020 in the Orange Grove Plaza in Christiansted. A full-fledged beauty shop, the original St. Croix store also features two anchors, Mont Blanc and a Furla Italy shop –in-shop, as well as a treatment spa cabin.

Kattoura is extremely excited about the stores in St. Croix, and is already planning additional expansion with a new location to cover the Frederiksted area.

"Our target has always been the local market as well as the seasonal visitors, and we have seen tremendous response from the local community. The first St. Croix Rouge store reached its first year annual budget within the first four months of opening and by the end of the first year was ranking among our top three stores in the Caribbean," he said.

Boosting local customer engagement spurs sales

Despite opening the store in the middle of a pandemic, Rouge depended on boosted radio campaigns, print ads, social media and continuous events to engage the local population.

St. Croix is also in the midst of largescale investment, development and restoration, especially in the historic district where the new Maison is located, and new restaurants and hotels have opened.

The airport was also remodeled and added more flights, and the major cruise companies announced a huge increase of ship visits to the Island for 2023, during the last Sea Trade Cruise Convention.

This development bodes well for the opening of the Rouge Maison.

"We are super excited with our project. The mansion style building, a historical site, with its distinctive colored Spanish tile floor, will be one of the most beautiful and special boutiques in the Caribbean. The store will lead to our backyard Bistro, with fountains and lush greens, highlighted with a restored Dutch Oven," said Kattoura.

"Our clientele, young lawyers, bankers and businessmen, have stressed to us the need for a modern quiet Café where they can invite a client, or even stop by after work for a glass of rosé or a beer; a real high-end liquor store, where they can find a good variety of product at travel retail prices; high-end gift items, as well as the latest from the top beauty and fragrance houses, such as Chanel, Lancôme, Gucci etc. This is what we plan to deliver."

Left: Rouge first opened in St. Croix in December 2020.



Above: The historic mansion in the heart of Christiansted, St. Croix that is home to the new Rouge Maison will open phase one of its retail within the next few days.

Left: The restored Dutch Oven will be the focal point of the al fresco Rouge Bistro out back, opening this fall.



Rouge Duty Free: More Caribbean expansion underway

Rouge Duty Free currently operates 14 locations throughout the Caribbean, almost half way to its stated goal of reaching some 30 shops within the next five years.

In addition to the St. Croix locations, the company is renovating some existing stores and opening in several new locations.

In Grenada, where Rouge is the leading luxury retailer on the island with six locations, including at the famed Port Louis mega-yacht marina, the company is currently remodeling its store at Spiceland Mall, scheduled for reopening before the end of July.

Rouge also has new plans for its stores at the Maurice Bishop International Airport, where it is the largest retail operator. Rouge is now opening a second stand-alone Kiosk-style shop, that will be used to highlight individual monobands, explains Kattoura.

"The new Grenada airport kiosk will be offered to the suppliers on a monthly basis. The first brand to open in this location will be Bottega starting August 1, 2022.

"The kiosk is in an excellent location in the heart of the waiting and seating area next to Gate 5, where American Airlines, British Airways, Virgin Atlantic, Condor, and Air Canada board."

Rouge expansion in 2022 is also reaching the Western Caribbean in the Mexican Riviera in Quintana Roo.

"We will open our first Super Store in Tulum," explains Kattoura.

"Tulum is reigning at this moment on the top of most in-demand destination from all over the world. The store will encompass the spirit of Tulum, in design and feel. Rouge will be the first and only perfumery in the city of Tulum, at Alde Zama, the archeological area."

