



## THE CARIBBEAN

### SMT designs *The Streets of Old San Juan*



San Juan cruise port duty free operator SMT PR Duty Free will unveil its new duty free shops at Pier 4 in March. The new facility, which is being developed in cooperation with Carnival Corp., replaces SMT's prize-winning Castle-and-Fort-style store with a re-creation of the Streets of Old San Juan. The new theme comes complete with facades of quaint multi-level buildings with balconies, old-time street lights and a cobble-stoned plaza.

Inside, the stores feature the most modern merchandising equipment, including high-tech plasma and LCD screens, sleek, contemporary Italian steel furnishings and state-of-the-art lighting and displays.

SMT's new Pier 4 facility consists of three separate shops totaling about 4,000sf of selling space, explains SMT vice president Jorge Azel, Jr. A 2,700sf store on the second level will carry liquor, tobacco and wines and feature a massive tasting bar.

A second 1,000sf store located next to the check-in area has been specially designed for fragrances, accessories and fine jewelry.

On the first floor, at the pier entrance, a 200sf store will carry a small selection of the products for sale upstairs, plus books, newspapers, and duty paid confectionery and toiletries.

The 'greeting' store will also feature plasma screens showing a live video feed from the tasting bar in the liquor store on the second floor, said Azel.

Once upstairs, 16 17-inch LCD screens surround the main duty

free liquor store showing loops of international ads and commercials for different brands.

"We also have seven 42-inch plasma screens showing commercials and specials emphasizing the duty free price differentials to show passengers how high taxes are on liquor. Our goal is to convince the passengers that the savings are substantial enough to warrant them buying and carrying the bottles at the beginning of the trip," said SMT executive vp for sales and marketing Eddie Ferenczi.

The Perfume store will also have a sophisticated monitor system. "The new fragrance store has been designed to build the category," said Ferenczi.

"It is in a prime position right next to the ticket counter and features a glass front that is

*Continued on page 2.*

## PEOPLE

**Tiphaine Kernevez**, marketing manager for **Givenchy Parfums** in Miami, has resigned to accept a position at **Puig** in Barcelona, Spain, as operational marketing manager for the Carolina Herrera fragrances and Prada perfume. **Giulia La Rosa** becomes the new marketing manager at Givenchy, effective Feb. 5.

**David Tillman**, formerly with Cosmopolitan Cosmetics and Hot Topics, has been retained by hot men's skincare and treatment company **Jack Black** ([www.getjackblack.com](http://www.getjackblack.com)) to spearhead its international business development efforts. The 4-year-old Jack Black brand is available in the US at Bloomingdale's, Sephora, and Nordstrom, and is now looking to expand into key international domestic markets. Initial focus will be on Western Hemisphere domestic export markets. The brand is also targeting the UK and the Middle East, and will be interviewing potential area partners. Call 914 815 0031, or go to [dctillman@mindspring.com](mailto:dctillman@mindspring.com), for details.

Miami-based **Parbel** has announced several new additions to its staff: **Victor Alvareño**, account manager Lancôme - South America; **Silvia Valderrama**, account manager Lancôme Central America; **Erika Mansilla**, product manager-skincare and fragrance; **Kathy Azpurua**, product manager - makeup promotions and travel exclusives.

**Felix Suarez** will be taking over as duty free manager of the Americas for **Masterfoods International Travel Retail** (MITR), replacing **Leslie Rush**, who is moving to another position in the company. Suarez will be based in Miami.

### International beauty company has an opening for

### 2 Retail Development Managers Objectives

Implement sales and marketing initiatives in Airports and Border shops.

Maintain brand image and merchandising standards  
Planning and executing all brand promotional activities  
Supervise BA's

### Reporting to Area Sales Manager

Based in Mexico City and Toronto/New York area  
Please send resume to [retaildevelopment2004@yahoo.com](mailto:retaildevelopment2004@yahoo.com)



### CARIBBEAN NEWS IS SPONSORED BY

**Dufry Aruba...Retailing with excellence, serving you at our locations down town and Aruba airport**

The International Travel Retail Confederation (ITRC) has launched a new website at [www.itrc-europe.com](http://www.itrc-europe.com). The website will offer general information about the ITRC, and provide access to the latest information on current issues being addressed by the Confederation, including the continuing campaign work in relation to WHO's FCTC treaty on duty free tobacco sales, Espace Voyageur and EU enlargement. The site will also have a members-only section that will contain confidential information on finances, strategic plans and comprehensive membership contact details. Access to documentation on EU taxation issues will follow shortly. The ITRC site was developed in cooperation with TFWA's marketing director, Jean-Marc Caubet, and its website service providers, Préférences, said Alan Bork, the ITRC Board Director who heads up the specialist team responsible for enhancing ITRC communications.

## Canadian border sales plummet in 2003

Wracked by everything from SARS and security concerns with the US, to war and Mad Cow disease, Canadian border store duty free sales dropped 13.7% from 2002, falling nearly C\$31 million to \$194.8 million in 2003.

Sales for the comparable period a year earlier were C\$225.8 million.

"The statistics tell the story of 2003 and it comes as no surprise,"

said Frontier Duty Free Association president Julian Lewin. Liquor and tobacco and continue to drive duty free sales at the border, representing about 35% and 29% respectively. Of these, imported liquor sales were \$46.6 million, or 24% of total sales; almost the same amount as domestic tobacco products--\$46.2 million, also 24%.

In comparison, imported liquor

sales totaled \$52.2 million in 2002, and domestic tobacco was \$48.1 million. Perfumes accounted for \$29.7 million, about 15% of sales in 2003, compared to \$36.7 million, or 16% in 2002.

Food and confectionery equaled \$8.5 million --\$5.4 million from imported goods and \$3.1 million from domestic goods.

Together, this equaled about 4.34% of total sales.

Jewelry, imported crystal and souvenirs each accounted for about 2% of sales in 2003.

## Pernod-Ricard wins Havana Club ruling

Pernod-Ricard has won an important ruling from the US Patent and Trademark Office's Trademark Trial and Appeal Board (TTAB) in its dispute with Bacardi-Martini over the Havana Club brand.

In a statement released this week, Pernod-Ricard said that the TTAB "rejected motions to cancel the U.S. registration of the HAVANA CLUB trademark last Thursday. The TTAB upheld the validity of the U.S. registration and its most recent renewal by Havana Club Holdings (HCH), a joint venture formed by Pernod-Ricard S.A. in 1993."

At issue was a petition requesting the cancellation of the registration on the grounds that it was registered in the United States under allegedly fraudulent circumstances. In its decision to uphold the validity of the registration, the TTAB rejected those allegations and noted with emphasis that the HAVANA CLUB trademark was obtained in 1976 only after the prior U.S. registrations had lapsed, apparently abandoned by the original owners in 1973. The TTAB also ruled that Havana Club Holdings had filed a proper renewal application in 1996 and the USPTO had acted appropriately in accepting the renewal application and renewing the registration in HCH's name.

As a brand manufactured in Cuba, Havana Club is not sold in the US nor in any US travel retail outlets. [To access the TTAB decision, visit: http://ttabvue.uspto.gov/ttabvue/v?pno=92024108&pty=CAN&eno=93](http://ttabvue.uspto.gov/ttabvue/v?pno=92024108&pty=CAN&eno=93)



**The Movado Group** has launched its **Tommy Hilfiger** watches in Brazil in the 46-store Vivara chain to record breaking results. "The sales in the first month have been fantastic. We can't keep the watches in stock," Alfredo Ramos, Movado Group sales manager for South and Central America told *Insider*.

## Lancôme debuts new TR visuals

Lancôme will be featuring a new visual for its Traveler's Exclusives portfolio in airports worldwide next month. Created by Parbel's Lancôme division in Miami, the new visual is part of a global strategy to strongly develop the segment of traveler's exclusives in airports: "We felt it was necessary to bring added value to the consumer and to clearly identify our specific offer," said Galia Sandres, Lancôme division manager for the Americas.

## SPIRITS WORLD

**Destileria Porfidio** is unveiling a limited edition trio of ultra-premium rums in Orlando: 40% ABV **Porfidio Barrique Anejo Rum** (\$150.00 for a 750ml bottle), 40% ABV **Porfidio Single Barrel Anejo Rum** (\$100.00); and 70% ABV **Porfidio Single Cane Distillation-Strength Plata Rum**. Each of the aged, distillation-strength rums, made from pressed cane juice from fresh unburned sugar cane, will be presented in fine handcrafted bottles with Porfidio's trademark colored glass palm tree at the base, and are numbered and labelled by hand. The Mexico-based producer launched its first premium rum, Porfidio Triple-Distilled Single Cane Plata, last year. [www.ronporfidio.com](http://www.ronporfidio.com)

Total shipments of **Absolut Vodka** increased 7.7% to 72.9m liters in 2003, with Greece (up 17%) and the US as "showcase markets," according to brand owner V&S Absolut Spirits. Growth was mainly attributed to Western Europe, where Germany, Greece, France and the UK together rose 9%. Eastern and Central Europe and Asia-Pacific are growth areas. The US, Absolut's #1 market, increased sales to retailers by 0.3% for the year, but were up 4.3% for the last seven months, spurred by strong sales of the new Absolut Vanilia.

**Brown-Forman** reports that its prize-winning, premium **Woodford Reserve Bourbon** sold more than 50,000 cases worldwide in 2003. Sales volume in the US rose by 33% last year; Europe is the largest export market, followed by Asia-Pacific.

US spirits company **Heaven Hill Distilleries, Inc.** has released an enhanced corporate website at [www.heaven-hill.com](http://www.heaven-hill.com) that will provide a broad array of customer service, media relations and informational functions for industry partners, media and consumers.