

# Bringing the benefits of skin care to hair

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In this month's issue of **European Cosmetic Markets**, which accompanies this issue of **Cosmetic News Weekly**, the focus is on hair care.

What struck me most in reading the August market report was the way the language of hair care is becoming more and more similar to skin care and the ingredients from the latter are making their way into the former.

Anti-ageing ingredients and BB creams for one are promising benefits to hair formerly reserved for skin care. Pantene's Youth Protect 7, for example, incorporates a BB cream that aims to deliver anti-ageing effects and "youthful looking hair". It also introduced the AgeDefy line, which is said to combat seven signs of ageing and make hair look ten years younger.

The CC trend has also taken hold in hair care. Alterna introduced a leave-in hair treatment, Caviar CC Cream 10-in-1 Complete Correction, that is said to provide multiple benefits, while Kérastase Soleil CC Crème is claimed to protect, repair and illuminate the hair.

In Italy it's the filler effect that is gaining prominence, with shampoos and conditioners that promise to plump up the hair fibres and repair damage to the strands. Davines' new Replumping range and Kemon's Actyva Kera Fill, for example, contain hyaluronic acid and other actives to 'lift' the hair and provide improved hydration. And bringing the skin care emulsion even further, Alter Ego Italy is planning to launch a Botox-style hair product in the autumn.

Along with this are the hair oils, which are proliferating in number and benefit. L'Oréal, Schwarzkopf and the other big hair care players are extending their ranges of products that contain argan and other oils that help to protect and nourish the hair and prevent frizz. Michael Rotermund, PR Director for Douglas Perfumeries, said: "Oil products were a major trend in hair care last year, just like in the skin care sector. Oil sprays, which are easy to use, are becoming very popular with consumers and there is now such a wide choice of oil products for any hair type and hair structure that oils have become an every day beauty product."

But it is not only the anti-ageing and nourishing benefits that are spreading from the skin to the hair. Hair make-up is also making its presence known. L'Oréal Professional's Hairchalk comes in eight shades ranging from pink and blue to 'black tie', while Kiko Make Up Milano's Hair Shadow allows blue, fuschia or purple colour to be added to the hair.

Hair care is often said to be a difficult area in which to innovate but the new ingredients developed for the category that were on show at this year's in-cosmetics indicate that the shift from cleansing and styling to multifunctional is likely to head down some interesting avenues in future.

On a more personal note, as **Cosmetic News Weekly** takes its usual break for the month of August, I too will be moving on. Thank you for your continued support over the last six months.

Kathleen Armstrong

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**L'Oréal** has announced the appointment of **Hugh Pile** as its first Chief Marketing Officer (CMO) for the UK and Ireland as part of an ongoing restructuring of its management. In the newly created role, he will be responsible for consumer and market insight, consumer affairs, media management and social listening functions, while collaborating closely with digital and marketing teams from various L'Oréal brands.

**Alex Saunois** has recently joined **Sederma** as Technical Director and member of the Executive Board. Bringing 18 years' experience in phytochemical research and development at companies including Laboratoires Expanscience and LVMH Recherche, Saunois will be responsible for the Development and New Technologies departments.

Furthermore, **Olga Gracioso** has been promoted to Marketing Director, **Olivier Jamet** to Sales Director, with **Gérard Bernard** appointed Vice-President of Sales and Marketing.

**Fusion Packaging** has announced the addition of **David Lee** as the company's new Project Engineer. He will report to Alexander Kwapis, Creative Director, and work out of Fusion's New York office.

In his new role, Lee will support the engineering, design and sales teams by working collaboratively with customers to initiate and develop new projects and drive innovation for the company. "We are excited to have David join our growing team, and believe his hands-on design and packaging development experience will make him a great asset to Fusion," said Kwapis. "I am confident he will set a high standard for excellence in his position."

**David Rubin**, formerly Vice President of Brand Building (US Hair) at Unilever, has joined social sharing website and application **Pinterest** as Head of Brands.

"[David] will lead Pinterest's global brand marketing, helping define the company's brand strategy, identify key audiences and manage its marketing initiatives," said the company.

**Saurabh Nayyar** has been appointed as Chief Financial Officer at **Macadamia**

**Natural Oil**, replacing **Ron Hock**, who is retiring.

**Multimedia Plus**, a technology firm that develops communications solutions for brands such as Sephora, Estée Lauder, Giorgio Armani and Hermès, has announced the addition of **Michael Dorsey** as Head of Strategic Client Relations. In his new position, Dorsey will be responsible for growing the services delivered to key clients and expanding client usage worldwide.

"[Michael's] senior level experience in the retail, food, and beauty industries will be an asset in the sustained rapid growth of MMP as we address current and future opportunities in the global marketplace," commented David Harouche, the company's founder and CEO.

### BRAND AMBASSADORS

American football quarterback **Cam Newton** is to be the face of **Guy Laroche's** new Drakkar Essence fragrance.

Newton plays for the Carolina Panthers and is known for his fashion sense. Promotion will include some print advertising but will mainly be via social media, capitalising on Newton's fan base. The Drakkar slogan: "Feel the power" now has the added hashtag #showyourpower and followers are encouraged to post images, videos or vines of themselves striking a 'power pose', as Newton is prone to do after making a touchdown.

The fragrance was created by Michel Girard of Givaudan, and is an aromatic fougère. It features head notes of grapefruit and spearmint; heart notes of sage and lavender; and base notes of clean woods and white musks. It will cost US\$48 for 50ml, \$68 for 100ml and \$88 for 200ml and comes in the usual sleek Drakkar bottle design, this time with dark blue glass and a black cap. The fragrance will launch in Macy's on 20 August and will then roll out to around 1,500 US stores.

US reality TV star and fashion entrepreneur **Angela Simmons** has been named as Global Beauty Ambassador for natural hair care line **Beautiful Textures**. The brand is a complete hair care regime targeted at curly, wavy and frizzy hair.

### Inter Parfums rating boosted

Paul Smith and Jimmy Choo brand distributor Inter Parfums has been boosted by a Zacks Neutral rating. Zacks upgraded the stock from Underperform. The positive coverage on Inter Parfums is also shared from analysts at Sidoti, upgrading the stock from Neutral to Buy. Inter Parfums share price has ranged from little more than US\$26 to almost \$39 in the last year. Before going to press its shares were selling at \$27.34. Inter Parfums reported earnings per share of \$0.29 for the last quarter, just swerving a Thomson Reuters consensus estimate of \$0.30.

The company released its second quarter financial results at the end of July, reporting a 22.1% increase in net sales of the company's ongoing brands (excluding Burberry brand sales) for the three months ended 30 June compared to the same period last year. Revenues not including Burberry hit US\$118.2m. With Burberry, they reached \$20.7m, reflecting a 0.6% rise in consolidated 2014 Q2 net sales. The 31.2% rise in Q2 European sales was driven by new product launches such as Montblanc Emblem, the first Karl Lagerfeld fragrances and Jimmy Choo Flash.

In the US, sales declined slightly following last year's takeover of the manufacture and distribution of Dunhill legacy fragrances. "However, we are growing that brand and the others that we added in late 2012 and 2013 by launching new products and pursuing expanded distribution," said Chairman and CEO Jean Madar. "We will begin shipping our first all new Dunhill fragrance called Icon during the fourth quarter of 2014, and will be in selective distribution until early 2015. Our early spring launches, Fatale and Fatale Pink for Agent Provocateur, have been well received in international markets, and we expect momentum to continue... in the fall."

### Lonza looking positive in first half

Despite challenges provided by currency fluctuations, Lonza has reported positive results for the first half of the year. Sales rose 3.2% to CHF1.8bn with CORE EBIT growth of 13.1% to CHF241m thanks to and the implementation of growth projects and restructuring activities. The Specialty Ingredients segment showed solid performance, the company said, with the

## Russian sanctions affect brands

Sanctions of Western countries against Russia have negatively affected the Russian businesses of some global cosmetics producers and may result in the revision of plans of further Russian expansion by some. At the end of July, Paul Polman, CEO of Unilever, one of the largest players in the Russian cosmetics market, said that the sanctions imposed on the country had significantly deteriorated the business environment and had resulted in the decline of the company's revenue in Russia from double digit to single digit figures. This, and the possibility of further sanctions, poses a threat for the implementation of the company's previously announced plans for expansion in the Russian cosmetics market.

Avon's revenue in the first quarter of the current year declined by 23%, compared to the same period of last year. This, in turn, has resulted in the massive cuts of the number of the company's distributors in Russia. Oriflame's Russian revenue also declined – by 8% – while in the case of the entire CIS market the decline was even more intensive, at 24%, compared to the same period in 2013. The number of distributors also fell, by 14%. According to the forecasts of both companies, the decline will continue this year, and may even accelerate if new sanctions are imposed on Russia and the conflict in Ukraine continues. At the same time, sources close to L'Oréal say the brand is also experiencing some difficulties in Russia due to sanctions and is considering shifting its attention away from Russia to more active expansion in the Indian market.

Eugene Gerden, Moscow

## Unilever reports solid growth

Unilever saw its sales for the first half of 2014 rise 3.7%, despite a 5.5% fall in turnover to €24.1bn. Operating profit for the company rose 13% to €4.4bn mirrored by a similar rise in net profit (12%) to €3bn. Emerging markets grew 6.6%, with price up 4.4% and volume up 2.1%. This was in contrast to developed markets which edged up by just 0.3% in the second quarter.

Unilever's Personal Care business continued to grow faster than its market (up 4.5% to €8.6bn for the six months), thanks to its innovation programme which included the compressed aerosol deodorants range (in Europe), the Rexona Do:More campaign and the launch of Regenerate Enamel Science toothpaste and serum system in the UK. In hair care, the firm said Clear was successfully introduced in Japan and relaunched in key markets such as Brazil and China, while the 7 Day Keratin Smooth range contributed to the success of the TRESemmé range. Good performers in skin cleansing included Lifebuoy and Lux, both of which saw particularly good results in China.

strongest contribution coming from Consumer Care, which includes Personal Care & Preservation, Nutrition and Hygiene.

Looking forward, the company is maintaining its forecast for CORE EBIT growth of around 10% and sales growth of around 5%. CEO Richard Ridinger said: "These are satisfying results and they show that we're on the right path with our transformational initiatives, which are already delivering first benefits and making us more market oriented and competitive. Our hard work on operational improvements and quality

initiatives across the company in all regions is also demonstrating results."

### Alter Equity3P invests in Bo.ho green

Ethical investor Alter Equity3P is to invest €1m in French organic make-up firm Bo.ho green to help the firm to grow. It is the investor's first project. The cosmetics firm said that with the funds raised, Bo.ho green will have the resources needed to expand its range of products and accelerate its commercial development.

"We are pleased to have met and sat-

## ASIA FOCUS

### Pola Orbis seeks foreign brand

Pola Orbis Holdings is looking to acquire a foreign cosmetics brand, but there is a catch. The foreign brand's product range should not overlap with that of Pola Orbis in either price or concept, President Satoshi Suzuki said in a recent interview. That would leave the Japanese cosmetics maker purchasing a brand with products in the middle price range. The acquisition would play an important role in Pola Orbis' plans to boost its business in Asia. The company aims to double overseas sales to ¥50bn in fiscal 2020 from some ¥23.3bn in fiscal 2013.

Currently, Pola Orbis has nine cosmetics brands, each with different price ranges and sales channels. Their main products are daily use skin care items. Suzuki said the company would consider buying a foreign brand in this same category but with a different price range. It should also have established sales channels in ASEAN countries and a strong brand identity. The company's overseas operations will focus on China and ASEAN. The company will strengthen its high-priced Pola brand at department stores, especially in Thailand and Taiwan, and plans to find new outlets mainly in ASEAN countries for its lower priced Orbis brand.

David Kilburn, Tokyo

### LG H&H shows strong growth

Korean FMCG giant LG H&H has reported sales of KRW1,142bn for the second quarter of 2014, up 6.2% year on year. Operating profit rose 1.1% year on year to KRW121bn while net profit was up 6.9%.

Strong results were seen in its Beautiful business with an 11.7% year on year rise in sales to KRW464bn, driven by solid growth in both the prestige and mass segments.

Prestige sales shot up 48% year on year. Revenue for oriental medicine concept brand Whoo rocketed 71% year on year, while sales of natural fermentation concept brand SU:M increased 18% year on year and natural herb cosmetics brand Belif sales rose 51% year on year. Sales in the duty free channel grew 144% year on year thanks to a rise in the number of tourists and continued counter expansions, LG said. The door-to-door channel also strengthened with a 23% year on year rise in sales. Masstige segment sales, on the other hand, fell 20% year on year due to a shift to the prestige and mass segments.

Committee on the Food Chain and Animal Health, held in Brussels on 13 June, the Commission said that although marketing claims must not be misleading under broader EU advertising laws, EU member states should make their own judgments on individual cases.

The Committee said that member states should "assess claims on a case-by-case basis, and decide whether their wording (or claimed effect) states, suggests or implies that a relationship exists between a food category, a food or one of its constituents and health, and therefore as falling under the scope of Regulation (EC) No 1924/2006." Where this is not the case, the claim should still respect the general provision that the labelling, presentation or advertisement, "should not mislead the purchaser by attributing to the foodstuff effects or properties which it does not possess."

The Regulation only applies to 'functions of the body' and the European Food Safety Authority has concluded in certain cases that claims made about, for instance, "changes in the appearance or elasticity or tonicity of the skin" do not come under the definition of 'functions of the body'.

### Croda warns on 2014 profit

2014 pre-tax profits look set to come under further strain for anti-wrinkle chemical supplier Croda. The ingredients and raw materials maker says the stronger pound, not to mention a more robust euro, is likely to hit pre-tax profits, compared to last year. "Sterling is about the strongest currency in the world," Croda Finance Director Sean Christie told Reuters, "and we make a lot in Europe as well, and [the euro] is the second-strongest currency in the world."

Strip out the currency volatility though and Croda's Consumer Care sales – this includes personal care – climbed 0.3% for the half, with growth in the second quarter reversing declines endured in the first quarter. Overall, sales slipped by 4.5% to £537.4m.

Still, as Chairman Martin Flower acknowledged, the weaker European environment is tough. "Our performance in the first half of the year," said Flower, "was behind our initial expectations as weak

ified the investor Alter Equity3P, whose values are completely aligned with ours, which already gives us a lot in terms of strategic thinking," said Vincent Honnart, President and co-founder of Bo.ho green.

In response, Fanny Picard, President and founder of Alter Equity, said: "We were impressed by the professionalism of the managers and team at Bo.ho green as well as its rigour in terms of social and environmental responsibility. Bo.ho green embodies the kind of responsible consumption we want to aid and support."

Bo.ho green's products are certified by Cosmebio and the firm gives 1% of its

profits to charity under the scheme, 1% for the Planet. It uses natural ingredients in formulations; its packaging and displays are made from recycled cardboard or wood from managed forests; and its logistics are handled by ESAT (Établissements et services d'aide par le travail), which provides work for people with disabilities.

### EC rules on nutraceuticals claims

Individual member states should decide on a case-by-case basis whether the beauty claims made by nutraceuticals are valid, the European Commission has ruled. In its *Summary Report of the Standing*

consumer demand in Europe impacted the business, particularly in Personal Care. Despite this, we saw strong underlying revenue growth from New and Protected Products." Croda shares were worth more than 2,600p in the spring but have now dipped to 2,181p. Analysts from Liberum Capital have restated their Sell rating on the stock.

### Swallowfield returns to black

UK beauty and personal care operator Swallowfield is set to return to profit. The news follows a period of some uncertainty for Swallowfield: ex boss Ian Mackinnon was evicted from his top post last year, replaced by Chris How. Revenues are now forecast to climb by 1% thanks to a more efficient cost base, the company claims. Overall revenues for the 53 weeks are expected to show growth of 3% (or 1% on a 52-week basis), "with the prior-year comparative including £2m of sales lost due to previously advised changes in sourcing strategy from a small number of major customers." This cost base re-jigging sees an improvement in net debt to £5.1m versus £5.7m last year.

### Kao Corp six-month sales rise

Kao Corporation has reported a 6.6% increase in net sales (to ¥665.9bn) for the first six months of 2014, despite the troubles pursuing the company as a result of the litigation surrounding Kanebo skin whitening products that contain Rhododenol. Excluding the effect of currency translation, net sales would have increased 4.8%. Sales in the Consumer Products Business grew in Japan and Asia, and sales in the Chemical Business also increased with an adjustment in selling prices to meet higher raw materials costs.

In the Beauty Care business, sales rose 1.8% compared with the prior-year period to ¥283.5bn. This was despite a 2.7% fall in cosmetics sales (to ¥122.9bn), mainly due to the impact of the Kanebo recall. Sales of skin care products, on the other hand, rose thanks to strong performances from Bioré and Curél products.

Hair care sales, however, remained flat compared to a year earlier, impacted by market contraction in Japan, decreased sales in Asia and currency translation in the Americas and Europe.

## INTERVIEW

**Dr Barry Cohen, founder, pH Advantage**

# Making skin care scientific

**U**S skin care brand pH Advantage was developed when plastic surgeon Dr Barry Cohen began investigating skin care ingredients and how they impacted on the skin before and after surgery. Founded around the principle of maintaining an appropriate pH level to maximum effectiveness, the brand now boasts a wide range of skin care products. Barry Cohen spoke to **Cosmetic News Weekly** about the science behind the brand and the need for people to be able to find products that suit their skin needs at different times of their lives.

### What is the story behind pH Advantage?

I am a plastic surgeon, and I also have a PhD in biochemistry and received an MBA, with a focus on healthcare, from Cornell University. In the 1990s I started the totalskincare.com website that sold the main skin care products but most were dermatology oriented with people using the same products throughout their life. But I believe people's skin changes, so I hired the CEO of Obagi and we launched the first range of pH Advantage products in 2004.

### What is the science behind the brand?

We keep our fingers on the pulse of what works, ingredients that have been clinically tested and proved to be efficacious. We may not always be the first to use an ingredient but we don't want it unless it has significant data behind it. And as a biochemist who has done bench science research, I think I'm in a good position to evaluate the results. The market is not well regulated – there are many products out there that make claims but do not have the science behind them.

### How has the product offer developed since you started the brand?

We started with basic products – glycolic acid, salicylic acid, vitamin A and C – and, over time, we've added in other ranges, from masks to peptides to hyaluronic products. We've evolved with cytokines. We initially had a kinetin based product but Pyranase is 15 times more effective so we phased it out – I get rid of the things that are passé fairly quickly. Our ideas for new products come from bench chemists. We want to launch effective products that work.

### Why do you restrict your sales to doctors' clinics and medispas?

You can't be in multiple vertical markets – brands that try to cross the vertical lines often fail. So we stick to the markets that work for our products. We make basic skin care but it's at the highest end and needs education to use properly, and more and more people are buying their skin care products from doctors and medispas. Demographic trends show that it's a growing market.

We have created a 'white labelled' e-commerce solution for doctors which we are rolling out in the US. It is a bespoke website so you won't find it on Amazon or other sites.

### What can we expect to see in future?

We have a range of new products in the pipeline, including a third generation peptide that is able to improve coarse wrinkles and a fast-working wound healing product that is natural so requires no FDA approval and can be classified as a cosmetic.

**Kathleen Armstrong, London**

## PACKAGING

### Quadpack introduces Ice range

Packaging firm Quadpack has introduced the Ice range of glass packaging for the beauty industry. The Ice design is available in 100ml and 150ml sizes and is cylindrical in shape with a heavy bottom and a screw-top neck adapted for fluid formulas such as cleansing waters, toners and skin care lotions. The neck can be personalised with a range of techniques, including frosting, heat transfer, spray coating, silk screening, hot stamping or metallisation, while the cap, which is the same diameter as the bottle and has a flat top, can be supplied in aluminium, wood or surlyn for a dash of colour. There are also options for spray pumps and an aluminium collar.

The company has also brought out a new range of Brush Tubes for cosmetics and lotions. The tube comes in PE mono-layer, multi-layer PE/EVOH or lined with an aluminium barrier. Its capacity ranges from 5-70ml, with diameters from

purse-sized 16mm and 19mm (suitable for local applications such as eye/lip contours or nail treatments) to 30mm (primers, foundations or lotions).

### Cosmogen brushes up for Lancôme

French company Cosmogen has designed the new kabuki Star Bronzer Golden Riviera for beauty brand Lancôme, created to apply bronzing powder over the entire face and neck. The brush is made of soft two-tone synthetic bristles which disperse the powder. The hair has a finesse and tapered end providing a smooth feeling, while the short and round handle, made of copper brown anodised aluminium, eases handling. The Lancôme logo has been double anodised. The brush was inspired by Cosmogen's Blur range.

### VariBlend dual appeals to Redken

VariBlend, a manufacturer of custom-blending, dual-dispensing technology, has been chosen to provide the packaging for two new hair colour products from Redken

(L'Oréal): the Blonde Idol Custom-ToneViolet daily conditioner for cool or platinum blondes, and Gold for warm blondes. According to Tim Yerby, VariBlend Vice President of Operations, Redken selected the company's 49mm MaxiMix dispenser as it is suited to hair products that require a larger dosage per stroke.

Yerby said: "Consumers love our custom blending feature because it is accurate, easy to use and reliable."

### Toly takes compacts to Infinity

Toly has expanded its standard compact portfolio with the introduction of Infinity Round, a new elegant stock line. The pinned hinged compact range comes in three variations: the large size is available with either a slim lid for face powder or a deeper lid with space for mirror and puff, while a smaller compact is suitable for mono eyeshadows. The company says the compacts' flat lid is ideal for printed windows and they can be further customised with a variety of decoration techniques.

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**cosmetics  
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### Evoka evokes luxury with M&H

M&H Plastics has designed new packaging for A.S. Watson's Evoka range of health and beauty products. A.S. Watson was seeking to elevate the look of the products so they could occupy space alongside high end products.

M&H Plastics said it was able to produce a luxurious finish for the packs using flat based Boston round PET bottles, tubes and PET jars, which were then decorated with a matte lacquer. The products' icons, logos and distinctive latitude and longitude varnish lines were designed to evoke a sense of travel and exclusivity. Another feature is the natural, sustainable wooden closure developed to suit the cultural themes of the brand. The products can also be easily recycled.

### INGREDIENTS

#### Bedoukian and P2 make fragrance

Renewable chemical company P2 Science and flavour and fragrance ingredient company Bedoukian Research have announced an agreement to develop, manufacture and market flavour and fragrance ingredients.

"The agreement is aimed at commercialising a range of renewable F&F ingredients made via unique processing technology, thus enabling formulators to build improved and more cost effective products for the consumer market," the firms said. Currently, the firms are working on products with an existing market demand and 'innovative' new molecules, while products of immediate commercial interest to both companies are expected to be scaled up to production for commercial supply within a 12-month timeframe.

As part of the agreement, the companies will evaluate the potential for a joint manufacturing installation to serve the F&F market.

#### Silab aims to repair skin

Silab, a French developer of natural cosmetic active ingredients, has announced the introduction of Cohesium, its newest repairing and moisturising active. Cohesium is said to contribute to skin hydration by increasing the levels of NMFs (natural moisturising factors), the biological humectants for the stratum corneum. It is also claimed to maintain the

## Intrexon makes farnesene from bioconverted methane

American synthetic biology specialist Intrexon has announced that its Industrial Products Division has succeeded in bioconverting methane to farnesene. Farnesene is a key building block chemical for speciality products, including rubber, plastics and cosmetics – for instance, it comprises one half of the emollient squalane.

The standard method of creating farnesene from other materials (such as chemicals, lubricants and fuels) usually involves thermocatalytic processes or the use of sugar or plant based feedstocks. These are all costly options, Intrexon says. In contrast, the company is developing microbial cell lines that have been genetically enhanced to convert methane to compounds with a higher carbon content. The processes also work at ambient temperatures and pressures, which the firm claims significantly reduces expenditure. The cell lines are called methanotrophs – "the only organism in nature that naturally consumes methane" – for which the company claims to have developed an advanced suite of tools to enable rapid manipulation. Natural gas is one of the most economical forms of carbon, is the least costly form of energy other than coal and is highly reduced, leaving no useless residue, according to the firm.

Other players in the farnesene market include Amyris, which makes Biofene from corn stover.

## Royal DSM expands vitamin C production with Aland

Dutch global life sciences firm Royal DSM is to acquire Aland (HK) Holding, a Hong Kong based company producing vitamin C in mainland China. The firms have not disclosed any financial information about the deal but have said they expect to complete the transaction in the next six to nine months. "Acquiring Aland, one of the leading vitamin C manufacturers in China, allows DSM to further strengthen its position in vitamin C," said DSM. "Aland increases DSM's global footprint in vitamins for human nutrition & health, animal nutrition & health and personal care."

DSM owns a factory making vitamin C in Dalry, Scotland, which employs 330 people, and there were fears locally that the purchase of Aland might mean the closure of the Scottish plant. It produces around 10,000 tonnes of vitamin C annually. DSM concentrated production of vitamin C in Scotland in 2005 after closing its US manufacturing operations in New Jersey to cut costs. However, DSM says it is fully committed to the Scottish facility but that the acquisition of Aland meets its strategic requirements.

Patricia Mansfield-Devine, Rennes

epidermal barrier and ensure tailored skin hydration, with a study demonstrating the benefits of the product on epidermal lipid organisation. Cohesium is suitable for use in any moisturising and restructuring care products for all skin types.

#### Impact Colors' friendly beads

Impact Colors has introduced Nature XFol, a new range of Candelilla exfoliator beads developed to replace the polyethylene

microbeads used in exfoliates, body washes and soaps.

"With this new line, Impact Colors helps resolve a significant challenge for the personal care industry, for consumers, and for the environment," said CEO Doug Thornley. "Our message is this: chemists can stop using microbeads now without compromising on function or value. Candelilla beads are a cost-effective, all-natural, earth-friendly replacement."

## LVMH and eBay settle dispute

French cosmetics giant Moët Hennessy Louis Vuitton (LVMH) and online retailer eBay have ended their long-running dispute over fragrance counterfeiting. "EBay and LVMH today announced a cooperative effort to protect intellectual property rights and combat counterfeits in online commerce," said a statement issued by eBay and posted on its website. The statement also quoted Michael Jacobson, Senior Vice President and General Counsel at eBay, and Pierre Godé, Vice President at LVMH, as saying: "Thanks to our joint efforts, consumers will enjoy a safer digital environment globally."

The dispute between eBay and LVMH dates back to 2008 when eBay was censured by a leading Paris court for selling counterfeit goods and barred altogether from selling four brands – Christian Dior, Givenchy, Kenzo and Guerlain. It was also ordered to pay €3.25m to the brands for damage to their selective distribution network. EBay appealed the ruling but lost and was ordered to pay €50,000 per day if it continued the online sale of the four brands. In December 2009, the firm was fined yet again, over the same four brands, this time to the tune of €1.7m, at which time the Paris court also accused the American firm of not respecting its judgment.

During these years, eBay was simultaneously embroiled, though more successfully, in a similar battle with L'Oréal, and had also been threatened with legal action by PPR (now Kering), owner of brands such as Gucci and Balenciaga. It made a similar agreement with L'Oréal in January this year.

Patricia Mansfield-Devine, Rennes

## Neal's Yard debuts in Seoul

Neal's Yard Remedies has opened its first store in Korea – in Seoul's trendy Gangnam district, home of the 'Gangnam style'. Two further stores are already planned for the IFC Mall in Yeouido and in Samcheongdong, both popular shopping districts of Seoul. The company is emulating a strategy followed by many successful Korean brands of opening brand shops that immerse customers in the culture and philosophy of a brand as well as surrounding them with a wide array of products.

According to media reports, the market for organic cosmetics in South Korea was worth KRW150bn last year and has been growing at 7%-9% annually. This year, growth is expected to increase substantially as the two largest Korean makers, AmorePacific and LG Household & Healthcare further develop their own organic offerings. LG's organic brand, Belif, is now one of their fastest growing brands and is destined for overseas markets. AmorePacific is also seeing rapid growth for organic and natural products.

David Kilburn, Tokyo

country's business and consumer environments, making this white paper vital for companies interested in entering these markets," Euromonitor said.

### Pharmacies stealing market share away from Europe beauty retailers

French retailer Sephora (LVMH) is under attack in continental Europe – from the pharmacies selling cheaper products, according to a recent report in Reuters. While the market share for specialist retailers like Sephora and Marionnaud has dropped from 40% to 35% over the past three years, pharmacies' market share has climbed 3% to 18% over the same period. Reuters said pharmacies have been attracted by the higher margins offered by beauty products compared to prescription drugs.

But Clarins Chairman Christian Courtin-Clarins told the news agency he did not think focusing on margins was the way to turn the situation around. "Instead of losing our time fighting on margins, we should focus on how we can convince clients to come back to the beauty specialist network," he said.

Low-priced Italian chain Kiko Milano is also posing a threat to Sephora. "Kiko, offering nail polish at €2.50, competes head on with Sephora's low-priced private make-up label, which analysts believe is one of the fastest growing categories for Sephora," Reuters said. "In terms of volume, Kiko already features as much in the make-up basket of 15-24 year olds as Sephora in France, according to Kantar Worldpanel."

However, according to LVMH's most recent financial report, Sephora is continuing to grow in all regions, "with particularly remarkable performance in North America, the Middle East and Asia".

### Cosmogen's brushes for Nocibé

French packaging supplier Cosmogen has created a range of 12 professional make-up brushes for retailer Nocibé. The brushes' tufts are made of 100% natural hair with a pink wick to help make them appear unique and distinctive. The handles are wooden and cylindrical, with a rounded tip and a lacquered finish with a metallic effect. Cosmogen said the tufts were first tested by Nocibé and then reviewed to achieve the desired quality and make-up effect.

### China economy to overtake US

Euromonitor International predicts that China's economy will overtake the US this year. In its white paper, *China Overtakes the US as the World's Largest Economy: Impact on Industry and Consumers Worldwide*, the analyst uses purchasing power parity (PPP) as a tool to compare both nations' economic credentials. Although the US and China share similarities – the distribution of wealth, for example, is similarly uneven –

the typical use of that wealth diverges, particularly when it comes to the beauty industry. Euromonitor projects that while the US will increase its beauty spending to \$240 per capita by 2018, China is expected to reach only \$50 per capita. This solidifies the decisions of giants including L'Oréal's Garnier and Revlon to pull their businesses out of the country, due to the success of local beauty and personal care players.

"There are stark differences in each



### Cosmebio launches beauty box

French organic cosmetics association Cosmebio has entered into the beauty box market with the launch of Boîte à Beauté (Beauty Box), produced in association with online retailer Ma Boîte à Beauté. The box comes in two configurations: La Naturelle Féminine for women and La Naturelle Familiale for the family. The women's box contains a complete kit of organic cosmetics, while the family box contains products for men, women and children.

The goods are delivered in an organic cotton bag made by Mouettes Vertes, a firm that specialises in ethical promotions. Each box contains at least seven full-size products (the first 'familiale' box contains eight) and costs €29.90 plus €3 carriage for goods to the value of around €175, or €49.90 for both. There will be no miniatures or samples. Many leading and niche French organic and natural brands are included in the selection, among them Pulpe de Vie, Institut Karité Paris, Alguena and Lostmarc'h.

The box will be available every two months and users can also buy the individual products direct from the website.

### Mary Kay pampers the hands

Direct seller Mary Kay is introducing a pampering three-step hand care system. The limited edition Honeydew Satin Hands Pampering Set contains three products to keep hands feeling soothed and renewed. The set includes: Satin Hands Hand Softener, Satin Smoothie Hand Scrub and Honeydew Satin Hands Hand Cream, presented in a gift bag.

The brand says the products should be used in three steps: the Hand Softener with petrolatum should be applied first for a hit of hydration, followed by the Hand Scrub with hydrogenated jojoba oil to cleanse and exfoliate in one step. The final step is the Hand Cream with glycerin to condition and provide up to 24 hours of hydration. The set is also available in a peach scent. It is priced at £32.

### Tom Ford shows flawless beauty

Tom Ford Beauty (Estée Lauder) is to release the Flawless Complexion Collection. Focusing on base make-up, the collection features a new range of foundations and concealing pens

## Kiehl's illuminates the eyes

In mid-August, US skin care firm Kiehl's will launch Super Multi-Corrective Eye-Opening Serum for the eye contour area. It is a follow-up to the firm's Super Multi-Corrective Cream, which was launched in the same month last year. The product contains botanically derived rhamnose, a deoxy sugar usually extracted from buckthorn and similar plants and which is claimed to promote cell proliferation, helping to thicken the thin skin in the eye area and to prevent glycation, which ages the skin. It also contains the hydrating polymer sodium hyaluronate, which is claimed to smooth the appearance of wrinkles, and skin illuminating minerals for a surface brightening effect. The product is designed for use on the whole eye contour area and will cost \$48 for a 15ml airless pump.

In October, the firm will follow up with another serum, Hydro-Plumping Re-Texturizing Serum Concentrate. Designed for use on the face, it contains vegetable glycerin derived from coconuts and other plants, and shiso leaf extract, which the firm claims helps to anchor moisture inside the skin layers. It will cost \$58 for 50ml. Both products will be available from Kiehl's outlets in the US.

## Plankton used to renew skin

In French skin care firm Biotherm has launched Life Plankton Essence, a "miracle skin renewing" treatment. A lightweight formulation of similar weight to micellar water and intended for use at the start of any skin care routine, it contains 5% 'Life Plankton', a patented active reproduced from a micro-organism found inside water from the Pyrenees. The firm claims it visibly improves the appearance of the skin inside eight days.

"Life Plankton is so powerful that, at 5%, it has been shown to soothe symptoms of the common skin disorder atopic dermatitis," said Biotherm's International Scientific Director Dr Elisa Simonpietri. Life Plankton is claimed to regenerate the skin by activating the multiplication of keratinocytes, soothe the skin and act as an antioxidant by activating the enzyme MnSOD.

The product comes in a tall, slim bottle of a shaded blue colour, with a silver top, and costs €69 for 125ml. The firm is promoting it via a number of short films on YouTube featuring *Gossip Girl* actress Leighton Meester, who became the face of the brand in October last year.

**Patricia Mansfield-Devine, Rennes**

designed to transform the look of the face with minimum effort and maximum effectiveness, according to the brand.

The products are: Traceless Perfecting Foundation SPF 15, a natural-finish, long wearing, humidity-resistant foundation that is said to hydrate and even skin tone to create a flawless, supple canvas with buildable, medium to full coverage; Concealing Pen, with a special applicator to camouflage under-eye circles, areas of uneven skin tone and redness with an 'undetected' finish in six shades; and dual-ended Correcting Pen, a pink based corrector to neutralise under-eye darkness and yellow-tipped concealer to

camouflage imperfections, in three shades.

Tom Ford is also launching its fall 2014 colour collection: "a monochrome colour play of light and shadow that achieves a defined and alluring look". Products include: Contouring Cheek Color, Duo Eye Quad in Nude Dip, Extreme Mascara, Lip Color in Negligee and Twist of Fate, and Nail Color in Black Cherry.

### Dove gets serious about hair

Unilever owned beauty brand Dove is launching its Advanced Hair Series – a collection of three new premium hair care ranges to suit individual hair needs.

### Serena cares during chemo

In September, French hair loss brand Serena will launch a range of hair care products for women undergoing chemotherapy. There are three skus: Serena Cryoforce2, Serena Phytosoft and Serena Regenhair.

Cryoforce2 is a no-foam shampoo based on seaweed gel and sage, and costs €19.90 for 200ml; Phytosoft is a moisturising emulsion to protect the scalp during chemotherapy treatment and costs €22.90 for 200ml; and Regenhair is a leave-on product that the firm says encourages hair growth and costs €49 for 200ml. All the products, which come in tall, cream, flip-top bottles, are certified by Ecocert Greenlife as ecological and organic and contain between 98% and 99% ingredients of natural origin, with between 11% and 86% being organic.

"With medical treatments, the scalp becomes more sensitive and wearing a wig or a scarf on a daily basis can cause discomfort," the firm said. "The Serena range is designed to alleviate the problems of skin dryness, flaking and irritation."

Serena is the product brand name of Elite Salons, a hair loss specialist that provides full and partial hair pieces, hair weaves and replacement of eyelashes and eyebrows for men and women. It has a network of 75 salons throughout France.

### Bottega Veneta ties the knot

In August, Italian fashion brand Bottega Veneta will launch Knot, a fragrance for women. Created by Daniela Andrier of Givaudan, it is meant to conjure up the image of an imaginary villa on the Italian coast and features head notes of clementine accord (mandarin, limette, neroli and orange flower); heart notes of lavender, rose and peony; and base notes of musk and tonka bean.

The amber-coloured juice comes in eau de parfum concentration, in a bottle that is heavy bottomed, square at the base but round at the shoulders, and has a bronze-coloured cap surmounted by a horizontal knotted metal rope. The motif is the same as the clasp of the firm's Knot clutch bag, which retails from around US\$1,450. The fragrance is considerably cheaper at \$90 for 30ml, \$125 for 50ml and \$160 for 75ml. There will also be body lotion, shower gel and body cream.

Knot will be available as an exclusive to Neiman Marcus, Bergdorf Goodman and Harrods in late August, followed by selective distribution worldwide from September onwards, including Bottega Veneta boutiques. Sampling will be provided in-store. The print and digital advertising campaign will feature Australian model Julia Nobis, shot by photographer David Armstrong.

**Patricia Mansfield-Devine, Rennes**

store and online, at RRP £49.99. Luster Pro Light is a part of the Luster Premium White teeth range.

### Bella Freud steps into fragrance

British fashion designer Bella Freud is delving into the fragrance sector with a collection of three scents. The debut Eau de Parfum collection comprises: Je t'aime Jane, Ginsberg is God and 1970. They are the result of a collaboration between Freud and perfume designer Azzi Glasser.

Je t'aime Jane is "girlish and playful, leaving a trail of delicate intrigue". It contains jasmine night flower absolute, ylang ylang and orange blossom over a base accord of black oud, sandalwood and powder-musk. Ginsberg is God is designed to evoke "the scent of green leaves and spring drifting in through the open windows", and is a unisex scent enriched with black pepper and 'sacred' woods and resins, complemented by wormwood, moss and leather.

1970 is "the smell of incense in the warm night air", and is described as an alchemy, blending rose de mai and saffron with a base accord of frankincense, myrrh, benzoin and hints of blonde woods.

The fragrances are available exclusively at Harvey Nichols London and online, priced at £65 for 50ml.

### Bosch enters the world of hair

Electricals company Bosch has launched its range of hair care tools for the first time in the UK market. The ProSalon range comprises Sensor Straightener, with extra durable anodised heating plates for even heat distribution, vibration alerts when too much pressure is applied, fast heat up in just 25 seconds and a clever memory function that stores last-used temperature; Big Hair to create curls and waves, with ceramic coating and nine temperature settings; and ProSalon Compact AC Hairdryer with turbo button, extra-slim concentrator for styling and ionisation to reduce static and frizz.

Meanwhile, the KeratinAdvance range includes Straightener with 25-second heat up, anodised floating plates, temperature lock and automatic shut-off; and double ionised Hairdryer with turbo button and separate heat and speed switches. Prices start from £39.99.

The Oxygen & Moisture range adds body and volume to fine, flat hair, while the Youthful Vitality range revitalises thin, ageing hair and the Pure Care Dry Oil range nourishes dull, dry hair. Products feature a more premium look than the existing Dove Hair Care products, and each range carries a different eye-catching colour flash to highlight its USP and help consumers to select the right products for their needs. Prices start from £5.99.

### Lustrous smiles land in the UK

Already a popular teeth whitening system

in the US, Luster Pro Light has arrived in the UK. Carrying some of the strongest claims on the market, the whitening system uses the same type of paint-on gel and blue light technology involved in some costly professional dentist treatments.

The treatment involves ten bouts of two minute exposure to the whitening light with a built-in timer for convenience and precision. In as little as 30 minutes, the company claims, Luster Pro Light can lighten teeth up to six shades.

The Luster Pro Light system is available in the UK from Boots, both in

## TOP TWEETS ON THE STREET

**We track the latest beauty news in 140 characters**

### @nytimes

Mandalay Journal: Where Ancient Burmese Beauty Balm Competes With Modern Cosmetics [nyti.ms/1o8jN8J](http://nyti.ms/1o8jN8J)

### @DesignPackaging

@LouboutinWorld's new nail polish line is as haute as his red-soled shoes <http://tinyurl.com/ka7o2lm>

### @PureBeautyMag

Guerlain re-vamps KissKiss: <http://goo.gl/kkykwa> @Guerlain

### @incosmetics

Brazil is currently 15th in global consumption of products considered premium. <http://bit.ly/1rhlcx>

### @SCMP\_News

China's top online cosmetics seller apologises for fake products sold on its website <http://trib.al/inwsKt6>

### @PharmaIQ

Double Impact: REACH and the EU Cosmetics Regulation [ow.ly/zEuWC](http://ow.ly/zEuWC)

### @HuffingtonPost

Americans spend about as much time on Facebook as they do on grooming <http://huff.to/1z5eS0x>

### @NotJustPowder

@Shiseido\_UK builds product awareness via consumer research <http://bit.ly/1kkzdvl>

### @LuxurySociety

LVMH results send chill across luxury goods sector <http://ow.ly/zA4Po>

### @CSRint

Coca-Cola, Microsoft, Samsung, Tata, Unilever and Nestlé top the list of the world's most responsible companies. <http://fb.me/32WjF6zqi>

## Penhaligon's gets animated about grooming range launch

UK perfumery Penhaligon's has produced an animated film to support the launch of Bayolea, its new men's grooming range. The brand developed the film in partnership with creative collective Just So and tells what it describes as "a mysterious alternative story of the fragrance's creation".

The animation was created by Daniel Gill, whose previous work includes a range of TV ads, *Fantastic Mr Fox* and *Frankenweenie*.

"The entire project has felt like creating magic and I feel the film will have a life of its own, above product promotion yet still very Penhaligon's," said Matthew Huband, Head of Global Marketing for Penhaligon's.

## Michelle Phan facing music over alleged copyright breach

Make-up vlogger Michelle Phan is being sued by Ultra Records and Ultra Music Publishing for copyright infringement, for the songs and music compilations she has used in her videos. According to Reuters, the companies allege that Phan used the music without a licence, in particular that of renowned US DJ Kaskade, who was nominated for a Grammy last year. Phan, who recently launched her own make-up line, has over 6.6 million viewers on her YouTube video channel, and videos such as her Barbie Transformation Tutorial have attracted more than 54 million views.

In a statement to online news resource, Mashable, Phan commented: "Michelle's intention has always been to promote other artists, creating a platform for their work to be showcased to an international audience. Kaskade, whose music has been featured in Michelle's videos, has publicly defended Michelle against Ultra's claims and acknowledges the success he's gained from her support."

The companies are seeking an injunction against further unauthorised use of the music in her videos as well as maximum statutory damages of \$150,000 for each copyright infringed.

## Louboutin looks to Lynch for nail polish advertisement

Renowned film director David Lynch has directed a surrealist advertisement for Christian Louboutin's launch into beauty with his first nail polish, Rouge Louboutin Nail Colour. The 51-second film features buildings whose shapes and angles are like the crystal bottles the nail polish comes in but are devoid of colour. The designer calls the vision Loubiville.

Of the nail polish, Louboutin said: "The Red Sole was born from red nail polish. I am giving back to nails what the shoe took from the nails many years ago."

The polish itself is presented with a tall slender cap, inspired by calligraphy. The brand says the custom-designed, patented triangular brush picks up the right amount of formula, without air bubbles, to deliver chip-resistant coverage. The lacquer, which has an RRP of US\$50, is enclosed in a patent leather-like finish presentation box.

**2-3 SEPTEMBER**

**PROFESSIONAL BEAUTY DELHI**

Venue: New Delhi, India  
Email: jasmine@professionalbeauty.in  
www.professionalbeauty.in

**9-10 SEPTEMBER**

**IN-COSMETICS BRASIL**

Venue: São Paulo, Brazil  
Email: incos.helpline@reedexpo.co.uk  
www.in-cosmeticsbrasil.com

**9-11 SEPTEMBER**

**COSMEETING & CREATIVE BEAUTY PARIS 2014**

Venue: Porte de Versailles, Paris  
Email: cosmeeting@cosmeeting.com  
www.cosmeeting.com

**17-19 SEPTEMBER**

**INTERCHARM UKRAINE**

Venue: IEC, Kiev, Ukraine  
Email: intercharm@pe.com.ua  
www.intercharm.kiev.ua/eng

**18-20 SEPTEMBER**

**BEYOND BEAUTY ASEAN**

Venue: Bangkok, Thailand  
Email: pamel.fo@beyondbeautyasean.com  
www.beyondbeautyasean.com

**23-24 SEPTEMBER**

**MAKEUP IN NEW YORK**

Venue: CENTER548, New York  
Email: contact@makeup-in-newyork.com  
www.makeup-in-newyork.com

**23-24 SEPTEMBER**

**THE BEAUTY TRENDS & INNOVATIONS CONFERENCE**

Venue: London, UK  
www.beautytrendconference.com

**24-26 SEPTEMBER**

**COSMOBEAUTÉ THAILAND**

Venue: Bangkok, Thailand  
Email: enquiry@ecmi.com.my  
www.cosmobeauteasia.com

**25-27 SEPTEMBER**

**BEAUTY AZERBAIJAN**

Venue: Baku, Azerbaijan  
Email: beauty@iteca.az  
www.beauty.iteca.az

**25-27 SEPTEMBER**

**BEAUTIKA WORLD**

Venue: Mumbai India  
Email: marketing@exhiferencemedia.com  
www.beautikaworld.com

**30 SEPTEMBER-1 OCTOBER PACKAGING INNOVATIONS**

Venue: London, UK  
Email: uk@easyfairs.com  
www.easyfairs.com

**30 SEPTEMBER-1 OCTOBER SPAMEETING EUROPE**

Venue: Dubrovnik, Croatia  
Email: juliette.blanz@spameeting.com  
www.spameeting.com

**30 SEPTEMBER-1 OCTOBER INNOCOS DIGITAL**

Venue: New York, US  
innocosevents.com

**7-9 OCTOBER**

**BEAUTY AFRICA**

Venue: Lagos, Nigeria  
Email: beautyafrica@informa.com  
www.beautyafricaexhibition.com

**9-11 OCTOBER**

**COSMOBEAUTÉ INDONESIA**

Venue: Jakarta, Indonesia  
Email: enquiry@ecmi.com.my  
www.cosmobeauteasia.com

**16-17 OCTOBER**

**ANTI-AGEING & SPA CHINA**

Venue: Beijing, China  
Email: juri.tan@informa.com.sg  
www.aascevents.com/en

**20-22 OCTOBER**

**COSME TOKYO**

Venue: Tokyo Big Sight, Japan  
Email: cosme-tokyo@reedexpo.co.jp  
www.cosmetokyo.jp

## SPOTLIGHT

### Syria: the impact of conflict

The conflict in Syria, which has entered its fourth year, has had a major impact on the cosmetic market and industry, both in the troubled country itself and the neighbouring region. Exports to Syria, and the distribution of cosmetics, have been severely hampered by the civil war, while the conflict's spillover is impacting other countries, compounded by the 2.9 million Syrian refugees currently registered in Lebanon, Jordan, Turkey and Iraq. "Syria was a good market before the crisis and Jordanian manufacturers depended on exports to Syria and Iraq. But due to the crisis the border with Syria is often closed and goods cannot easily enter, which is the same with Iraq now. Most manufacturers are feeling the pinch," said Ifani Igboanugo, owner of Ransel Industries in Jordan, which manufactures its own line of cosmetics for Middle Eastern and African markets.

Despite 600,000 refugees having fled to Jordan, it is only sales of low-cost cosmetic sales that have been bolstered. "Refugees do not buy branded cosmetics, just cheap items, while the NGOs [non-governmental organisations] and the United Nations are providing them with low cost shampoos and soaps. Some of it is sourced from Jordan, but it is a very small boost as margins are very low," added Igboanugo.

Lebanon has been particularly hard hit, losing a profitable export market and also sales from tourists who have been frightened away – Beirut is just 52 miles from Damascus. The conflict has caused economic losses in Lebanon of US\$7.5bn, according to World Bank figures. "Gulf Arab tourists were always good for turnover, and we're affected even more by the absence of Lebanese expatriates, as they would consume a lot on their trips. The loss of both segments has made a big difference to the market," said Fadi Sawaya, CEO of Beirut based Sawaya Group, which distributes cosmetics brands throughout the Middle East.

Cosmetics manufacturers in Turkey have indirectly benefited from Syrian companies closing down and being unable to meet domestic demand. In 2011, Turkish cosmetics exports were estimated at \$6.6 m, but in 2012 – as the conflict worsened in Syria, particularly in the north which borders Turkey – exports dropped to \$4m, yet rebounded last year, to \$9m. In the first half of this year, exports reached \$5.8m, according to figures from the Istanbul Chemicals and Chemical Products Exporters' Association (IKMIB). "We will close the year at \$12m," said Murat Akyüz, IKMIB Chairman. He added that such figures are probably higher as cosmetics products exported to Iraq and Iran may be re-exported to Syria. As the conflict continues, Akyüz expects Syrians will start manufacturing in Turkey and will be forced to adopt EU specifications, which would have long term benefits. "In the coming years we will see more production and trading in Turkey. If Syrians set up here, which I am sure they will, they will improve production quality and this will have a positive impact on the Syrian cosmetics market in the future," he said.

**Paul Cochrane, Beirut**