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M&A trends



There has been a flurry of M&A activity over the past few weeks, with the recent deals indicating key directions the market is set to move in. For example, L'Oréal's acquisition of ModiFace, a specialist in beauty augmented reality and artificial intelligence is another example of beauty groups' tie-ups with technology companies (Shiseido has also been active on this front with the purchase of US-based artificial intelligence company Giaran and customized technology company MatchCo), and shows the future importance of Artificial Intelligence. The deal also makes

L'Oréal owner of a company whose technology has been used by hundreds of competing beauty brands.

Another deal was flavor and fragrance house Givaudan's move to take a stake in natural ingredients company Naturex—a clear indication of the growing importance of naturals in personal care. And make-up continues to be a hot property, with Brazil's Grupo Boticário buying color brand Vult Cosmética, and Guthy-Renker Ventures taking a minority stake in US-based make-up artist brand Mally Beauty. More deals in all these high-growth areas (especially AI, personalization technology and e-commerce) are expected to be just around the corner.

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Meet the *BW Confidential* team at:

- Esxence, Milan, April 5-8
- Luxe Pack Shanghai, April 11-12
- MakeUp In Shanghai, April 11-12
- in-cosmetics Global, Amsterdam, April 17-19
- TFWA Asia Pacific Exhibition and Conference, Singapore, May 6-10
- Beautyworld Middle East, Dubai, May 8-10
- Luxe Pack New York, May 16-17

Cosmoprof Worldwide Bologna

Trends on show

BW Confidential reports on what was seen and heard at the 51st edition of Cosmoprof Worldwide Bologna and Cosmopack held from March 15-19



The upbeat atmosphere at the 2018 edition of Cosmoprof Bologna was confirmed by the attendance figures: more than 250,000 visitors, with an increase of 11% for international visitors versus last year. Most exhibitors commented on the quality of the visitors.

The effervescence was visible in the beauty contract manufacturing and packaging area (hall 15). Many companies in the sector are seeing strong growth, with several, such as Gotha Cosmetics, HCP-Rusi, Il Cosmetics and Geka announcing the construction of new or bigger production sites.

Packagers and contract manufacturers at the show said that to better understand consumer needs they are looking to develop more products using consumer panels, which can take the form of micro-events, and are also pursuing collaborations with influencers. Subcontracting company Maesa, for example, showed the Col-lab make-up line created for the Sally Beauty salons through a collaboration with eight influencers.

Trends seen at the show included on-the-go cosmetics and of course masks (coal is a star ingredient). For perfect selfies, liquid correction products and wrinkle fillers—even those that can be applied as patches—were also shown.

In make-up, according to manufacturers, the nail polish segment is showing signs of a rebound, while shiny looks are making a comeback, especially with vinyl lip lacquers.

In line with market trends, more natural, organic and vegan products were on show this year. The sustainability theme was also omnipresent.

A key feature of the show was the Cosmoprof & Cosmopack Awards, which recognize innovation in finished products and packaging, and were organized in collaboration with trend agency Beautystreams. *BW Confidential* was part of the judging panel for the Awards. A full list of the winners can be found on our website.

Cosmoprof Worldwide Bologna

Took place: Bologna, Italy from March 15-19

Exhibitors: 2,822

Visitors: More than 250,000

Seen in show

France-based skincare brand Qiriness (1,300 pos in 18 countries) introduced its first men's line at the show. The line is intended to be easy to understand with the purpose of each product and the skin type it is for, identified through color codes and simple names. Qiriness Men launched first in Belgium and will arrive in France in Marionnaud perfumeries. ■■■



Cosmoprof Worldwide Bologna

■■■ Italy-based **Teaology**, a first-time Cosmoprof exhibitor, presented its Tea Infusion Skincare line. The brand says its products are made by extracting the active ingredients of different types of tea through a process of heat infusion using whole leaves of the plant. Launched two years ago by Paolo Bevegni and his wife Cecilia Garofano (both formerly of Italian brand Collistar), the brand includes 22 face products, eight body products and a fragrance. Produced in Italy, it is already retailed in 20 countries from Singapore to Canada. The brand is also currently testing some US concept stores.



Scotland-based **Cutisonic** (Aydy Group) presented its new Cleanse & Apply ultrasonic face brush. The brush retails at €30 and is operated with a battery that lasts for six months. It follows last year's launch of Cutisonic One, rechargeable via USB and packaged in a travel case with cap (€80). Both travel-size products can be used for cleansing and make-up application. "There was a request for a product with a more accessible price," explains Cutisonic business development manager Ethan Wylie. While Cutisonic One is sold in the Middle East (Paris Gallery) and in duty free and airlines, Cleanse & Apply is available in beauty retailers, drugstores and pharmacies and online in eight European countries and in New Zealand and the Middle East.



Germany-based **Cosnova** presented the first product of its newly created start-up brand Sign. Called Nailfix and Chill, the product is a nail polish remover in a cream format that comes in a tube. It won the Cosmoprof Award in the nail category. Marie Vanderstichel, Cosnova product innovation manager, created the product following meetings with consumers. "It is a new consumer-centric way to develop products and I will continue to organize events to meet consumers and influencers and listen to their expectations," explains Vanderstichel.



UK-based **Dr Russo** presented its sun care range of five face and body products called Once a Day Invisible Mist. The spray sun protection (SPF 50+ and SPF 30) is claimed to last for 12 hours. The line will launch in 400 Douglas perfumeries in Europe from July 2018.



US-based **Anisa International** showed its new Mineral Spirits Collection, composed of six different fiber offerings infused with six very finely ground crystals (quartz, amethyst, ruby...) identified by six colors. It also introduced its skincare collection, which includes 14 different brushes to clean, hydrate and treat the skin, as the trend for at-home institute-like treatments grows. The company says it hopes to develop the European market, which currently represents no more than 5% of its sales. ■■■



Cosmoprof Worldwide Bologna

Germany-based **Geka** presented its new collection Urban Heat for a shimmering and metallic look. It includes a liquid eye-shadow, the lashDIVINE mascara (pictured), with a molded brush which alternates shorter and longer bristles for volume, a browDREAM brush to accentuate the brow shape, fill and define the brow and fluorescent pink lip gloss flexiKISS with a wet finish.



US-based **Porex Corporation** introduced its new patent-pending fiber cushion compact, designed to be used with on-the-go liquid-based formulations. The new technology claims to ensure consistent delivery deploying a capillary action to pull liquid formula from the bottom of pads to the surface each time it is compressed. Some 80% of the product in the reservoir can be dispensed compared with no more than 50% with standard cushion compacts. The company is looking to develop its cosmetics business, which currently represents 3% of sales, but is projected to grow by 30% per year over the next five years.



Italy-based subcontracting company **Gotha Cosmetics** showcased its Second Chance Mascara Drops, which won the Cosmopack Award in the make-up formula category, as well as the Best of the Best Award.

The product claims to be what it calls the first mascara life extender. The black color booster in drop format combines a range of treatment properties for the lashes, such as hydration. The company has just moved to a 15,000m² (116,459ft²) new production-showroom site near Bergamo with the objective of tripling sales by reinforcing business in Europe and South Korea.



France-based **Alkos Group** presented a complete 100% vegan make-up line, including a vinyl lacquer liquid lipstick with the high shine of a gloss and a non-sticky texture. It also introduced a charcoal exfoliating stick to be used as a purifying mask. This travel-friendly product can be massaged directly onto the face.



Italy-based **Pink Frogs** introduced its Warm and Cold Program, a mask in two steps identified by two colors presented in a two-compartment glass jar. The mask with the warming effect opens up the pores to better deliver actives to the skin and is followed by a second, cold-effect mask that closes the pores. The product won the Cosmopack Award for the Best Skincare Formula. ■

