

Companies on the move

New frontiers for Erborian

France-based and Korean-inspired prestige skincare brand Erborian is moving its young sister brand 7 Herbs into the pharmacy channel. Launched last year, 7 Herbs, a multifunctional skincare range for 15-25 year-old consumers, has rolled out to around 20 pharmacy and parapharmacy locations

in France, with more openings planned throughout this year. "Pharmacies are a challenging channel because they have to be visited one by one, and you have to convince them to carry your brand. However, it is a channel that is evolving, as today there are pharmacies that work like perfumeries,

with motivated and knowledgeable sales staff," explains founder Katalin Berenyi. She continues: "There are also perfumeries that function like traditional pharmacies, where consumers go just to replenish. Retailers need to look more into what the consumer is looking for. In perfumeries, for example, skincare should be grouped together by brand personality or universe." In the perfumery channel, the company has also just wrapped up a one-year exclusive with Sephora in France.

The company is also expanding the Erborian brand internationally. The prestige skincare brand, which was founded in 2008, is present in 12 markets worldwide and Berenyi aims to launch it in Germany and China this year. The company is also scouting opportunities in Canada and the US. It opened South Africa in December 2010, where it launched in three Edgar's department-store locations. Erborian has 20 skus, is sold mainly in selective perfumeries, and currently has 94 doors in France.



▲ Erborian is launching its sister brand 7 Herbs in the pharmacy channel in France

France's Groupe Arthes moves into private-label business

France-based Groupe Arthes, owner of mass-market fragrance brand Jeanne Arthes, has created a new private-label division. The company, which has a production facility in Grasse with a capacity of 120,000 bottles per day, says the decision to embark on private-label was led by a strong demand from

brands and the rise of retailers coming out with their own-brand of fragrance. "Many companies have been asking us for this, and we offer three main advantages: our production site in Grasse, the heart of perfumery; 30 years' experience in perfumery at competitive prices, and a good know-ledge of international markets,

which enables us to act as an advisor to brands on concepts adapted to each country," explains Group Arthes marketing director Aude Genesté-Barera. In the past the group has already worked on creating products for other brands, notably German brand Essence (Cosnova), but the creation of a private-label division marks a more structured approach to the business.

As for Jeanne Arthes, the group launched the brand

in China last year, where it is distributed at supermarket chain Auchan. The aim is to develop China, while consolidating its business in other main export markets: Japan, Russia, the Middle East, Germany and Indonesia. Export accounts for around 80% of the brand's sales.

At the same time, the group is looking to develop the brand's position in France. Jeanne Arthes, whose credo is to provide, 'quality, made-in France products at attractive prices for the mass market', is distributed in 1,700 pos in France—a network it wants to expand. "Today we are present in only 20% of supermarkets and hypermarkets in France, but despite this low numerical distribution rate we are number-three in the French market. We want to open more points-of-sale to boost our ranking in the country," explains Genesté-Barera. In 2010, the Jeanne Arthes brand saw a 12% increase in value sales in women's fragrances and a 17.5% increase in men's scents, according to figures from Nielsen.



▲ Groupe Arthes is building the Jeanne Arthes brand (pictured) in France, while moving into private label