

InterCHARM-2009 results

InterCHARM-2009 – tribute to the beauty!

InterCHARM – the number one perfumery & cosmetics exhibition in Eastern and Central Europe – hosted 760 exhibitors from 24 countries on October, 28-31 in Crocus Expo exhibition centre (Moscow).

Leading manufacturers and distributors of cosmetics and perfumery, ingredients and packaging, salon equipment and accessories, as well as celebrated laboratories and beauty institutes for the 16th time demonstrated the latest achievements of the beauty-industry in Crocus Expo, Moscow (RUSSIA).



This year InterCHARM-2009 hosted 760 exhibitors from 24 countries including **Russia, Belorussia, Bulgaria, China, France, Germany, Greece, India, Israel, Italy, Latvia, Lithuania, Netherlands, Poland, Singapore, South Korea, Spain, Switzerland, Taiwan, Thailand, Turkey, UK, Ukraine, USA**. For many years InterCHARM serves as an entrance gate for international companies looking for business opportunities in Eastern Europe. Over 40% of InterCHARM exhibitors – international players, who are looking for the rapid development on the Russian market. This year was not an exception. Around 300 foreign companies presented their products and services to potential clients in **Russia**.

National pavilions of Italy, France, Germany, Spain, Poland, South Korea and China supported by respective trade associations in each country provided an opportunity to develop the geography of their distribution. Governments and official bodies of many European countries for many years support participation of their national industries in InterCHARM as it is one of the most effective platforms to do business in Eastern Europe.

Susanna Navarro, export manager, Cris Cosmetics (Spain)

Our company participated in InterCHARM for the first time. We were impressed with the organization and the show itself. Before we were exhibited at global cosmetics exhibitions in Bologna and Hong Kong, and we can justify that InterCHARM is fairly one of the largest and significant events in Europe. Despite the fact that Spain hosted the local cosmetics exhibition at the same time with InterCHARM, we have chosen the Russian show.

InterCHARM is currently the major event playing the role of a chief guide for specialists engaged in various fields of perfumery and cosmetics market in the region. Being the most popular meeting point of beauty business professionals, the exhibition provides both the participants and the guests with ample opportunities for professional cooperation in search of fresh ideas and new perspectives.

Every year InterCHARM brings together all the major opinion leaders, market experts and beauty business owners, technologists and marketers, manufacturers, distributors and retailers, commercial and mass-media representatives, politicians and stars. Established a unique platform for beauty professionals InterCHARM remains the principal contributor into the development of Russian perfumery and cosmetics industry.

This year the show welcomed **48 500 unique professional visitors** – cosmeticians, dermatologists, estheticians, managing directors of beauty salons, spa and cosmetology centers, nail masters, hairdressers, massage specialists and other representatives of the growing professional beauty market.

Almost all the known brands of professional beauty care including **Academie Scientifique de Beaute, Ericson Laboratoire, Anna Lotan, Holy Land, Christina, Janssen Cosmeceutical, Reneve, Sothy's, Pevonia Botanica,**

Keenwell, Klapp Cosmetics, Kosmoterros Professional, Paul Mittchel, Keune, LCN, Akzent-direct, Jessica, Planet Nails, Australian Gold, Guam, Gehwol participated in **InterCHARM-2009**. During the 4 days of the show over **1700** perfumery and cosmetics brands including those to first come onto the Russian market were present at InterCHARM-2009.

During its long history InterCHARM has turned into the Mecca of beauty not only for the market participants, but also for the end consumers who strive **for cosmetic innovations and novelties** and confirm the experts' opinion that that crisis doesn't threaten the domestic beauty industry until a **Russian woman is keen on beauty and appearance**.

The **Novelties Gallery** and the **ZOOM** zone presented the so-called "cosmetics of the future" – products to first come onto the market in 2009/2010, up-to-the minute collections and innovations of the beauty industry, such as means for eyelashes immediate growth, anti-cellulite serum with visible result in 9 minutes, cosmetics on the base of a mink oil, solariums with anti-cellulite effect, a cream for tattoo and birthmark removal, as well as cosmetic products based on fly agaric extract, oceanic salts, plants grown in extreme conditions and so on. Every year more and more companies compete in offering sophisticated InterCHARM visitors trendy cosmetic products based on nanotechnologies, organic ingredients and various natural components, which are so popular in Russia.

For many years InterCHARM serves as a perfect tool for demonstrating all the palettes of the cosmetics industry, locates popular trends and most developing sectors of the industry on the dedicated areas, as well as supports the relative markets and achievements. **FormulAction** showed-case innovative raw-materials, technologies and solutions, a specialized sector **InterCHARMpack** brought together developers and suppliers of packaging. **This year the exhibition featured 3 new exhibition areas: Farma+Beauty** presented parapharmaceuticals and cosmetics for pharmacies; precious items presented in the **Jewelry Salon** expanded the traditional boundaries of the beauty industry; **Pavilion of Russian Manufacturers** opened gates for the domestic cosmetics producers to compete with international players of the Russian market.



Over the last several years Russian companies achieved considerable results in developing competitive, original products. In order to support domestic manufacturers in the conditions of global economic recession Reed Exhibitions (Russia) together with the Perfumery & Cosmetic Association of Russia granted national companies the opportunity to demonstrate their achievements and manufacturing facilities on the attractive conditions within the **Pavilion of Russian Manufacturers**. The new initiative provided enough opportunity in sourcing reliable partners in contract manufacturing and expanding business in Russia and CIS countries.

Among the participants of the Pavilion of Russian Manufacturers 2009 was the oldest Russian manufacturer SVOBODA, which celebrated its 165 anniversary last year. Today SVOBODA counts over 1200 employees and boasts of its state-of-the-art manufacturing facilities, which produce more than 250 items of cosmetics & toiletries, such as soap, skin and body treatments, hair and oral care products, baby cosmetics and so on. **According to Gregory Zarskiy, Reed Exhibitions (Russia) general director**, "Pavilion of Russian Manufacturers imports considerable value for the Russian beauty industry development and gives hope of strengthening the positions of the Russian enterprises in the global market".

In the current economic environment InterCHARM-2009 as the main beauty industry event in the area provided multipurpose business facilities for the exhibitors to expand their business and meet fruitful contacts, obtain not just participation in the trade-show, but a **complex solution** for entering Russian and CIS countries market of beauty products.

An extensive professionally oriented concurrent program played a significant part in the global beauty event and engaged opinion leaders, world-famous speakers and beauty professionals to cover up marketing and management aspects of the Russian market in the new economic environment.

The program included the traditional **Doing business in Russia** complimentary seminar for foreign exhibitors and visitors, **Cosmetique News Forum** (3-day event on marketing of perfumery and cosmetics), **International conference "Cosmetic products and raw materials: safety and efficacy"** organized by Perfumery & Cosmetic Association of Russia (PCAR), **presentation of the Italian cosmetics industry**, organized by UNIPRO, **All-Russia convention for beauty salons, Nail Service School, Meeting of cosmetic companies and pharmacy chains "Farma+Beauty"** along with traditional show events such as **Championships on nail design, spa-massage, make-up and hair art**.

Doing business in Russia complimentary seminar for InterCHARM foreign exhibitors and visitors spotlighted the peculiarities of entering the attractive Russian market, spa and salon industry and premium segment development in the region. At the **X Cosmetique News Forum** representatives of the leading research companies and market experts reported on the Russian cosmetic market in facts and figures, consumer behavior and the new scenario of the market development in the new economic circumstances. Experts discussed new



trends and innovations, the most popular products and brands, peculiarities of the perfumery market and premium segment development.

According to the forum speaker Anna Dycheva (Reed Exhibitions (Russia) business development director), since the beginning of 1990-ies the Russian perfumery and cosmetics market has been demonstrating one of the fastest growing rates both on European and global stage. However, by 2005 the Russian market has slowed its annual growth speed down to 10-15%. During the period of 2007-2008 P&C economy sector has added another 7,9% and amounted to 9,3 billion dollars. Along with quantitative the Russian market experienced qualitative developments. So, channels of perfumery and cosmetics distribution have essentially evolved. In 1997-1999 around 40% of all P&C sales were made through open markets and another 40% via department stores. In drugstores and supermarkets cosmetic goods practically have not been presented, while direct sales channel enjoyed only 5%. Ten years later we can witness a radically different picture where drugstores sell nearly 10% of all cosmetic means, specialized retail chains – 30% and direct sales make more than 20% of all P&C sales in Russia. The number of the open markets has decreased from 40% to 9,5%. Besides, new distribution channels such as hypermarkets, droggeries, Internet shops and concept stores started to appear and develop. One of the key tendencies of the last decade was strengthening of the regional markets positions.

The special part of the Cosmetique News Forum was devoted to practical issues. Representatives of the global companies demonstrated the unique marketing techniques and strategies, which work during the economic recessions. This year the program also included a special seminar for regional retail chains where market experts shared their experience in optimization of the assortment matrix, logistics and completion with federal retail chains.



The 3rd day of the **XIV International scientific and practical conference** organized by PCAR “**Cosmetic products and raw materials: safety and efficacy**”, which took place on October, 28 in the frame of InterCHARM-2009 concurrent program reviewed the recent trends in cosmetics production. The second part of the conference was devoted to the **presentation of the Italian cosmetics industry** organized by UNIPRO.

Fabio Franchina, the president of UNIPRO and Maurizio Crippa, UNIPRO general director highlighted the perspectives of cooperation between Italy and Russia, and presented the exhaustive analysis of the Italian industry in view of the European market development.

*Russia is a very important market for the Italian cosmetic enterprises. In 2008 the cosmetics export from Italy to Russia amounted at 125 million euro, which is 22,3% more than in 2007. The most important segments imported into Russia are body care (47,2 million euro) and spirit perfumery (28 million euro). Considerable growth showed male grooming and oral care. **Fabio Franchina** underlined the importance of this tendency for Italian companies, since these markets submit the first signals of revival after the financial crisis affected the whole world. “For the small and medium Italian enterprises which participate in InterCHARM-2009 exhibition, – resumes Franchina, it is a new call, and also the new proof of the increased competitiveness of cosmetics of the Italian manufacture”.*

The educative part of the exhibition concurrent program, organized by ExpoMediaGroup “Staraya Krepost”, was aimed at all-round discussion of the Russian salon industry problems and perspectives.

During the **IV All-Russia convention of beauty salons** which was held under the support of National Association of the Beauty Industry Professionals (NABIP) beauty salon leaders shared their experience in salon management and marketing, finance and accounting, personnel retention and motivation.

The participants of “**The best administrator of the beauty industry**” contest which took place in the frame of the convention demonstrated their professional skills in the simulated conditions.

The program of the **Nail Service School** was focused on all the aspects of the nail industry – from nail modeling and design to problems in management and administration of the nail studios.

InterCHARM is the real tribute to the beauty, the festival which throughout 16 years brings together thousands of connoisseurs of the industry. Professional visitors and end consumers flock in Crocus Expo to learn about cosmetic novelties and latest trends in make-up, nail design, hair art and spa massage. InterCHARM exhibition serves this purpose best as it holds numerous shows, defiles, master classes, competitions and championships for every segment of the beauty industry.



This year the traditional show part of the exhibition concurrent program included **Open show tournament in professional make-up “De Cor visage – De Klie”**, final for the **Independent championship of hairdressers and stylists of Russia**, the **Moscow international make-up championship**, final for the **III International championship on spa-massage** and **IX Championship of Russia on nail design** and involved celebrated hairdressers, stylists, nail masters and massage specialists.

InterCHARM-2009 announced top players of the Russian cosmetics market

On October 29 InterCHARM-2009 hosted its annual Gold Medal awards ceremony.

The award exists since 1999 and recognizes accomplishments of domestic and international companies in the perfumery and cosmetic industry of Russia. The 2009 winners are:

- **AdvancedLine** – for the introduction of world's innovations on the Russian market
- **Istanbul Chemicals and Chemical Products Exporters' Association** – for the active promotion of the Turkish perfumery and cosmetics industry on the global market
- **Parade of stars** – for the creative approach to perfumery production and promotion
- **Revada** – for the stable and effective collaboration with Russian manufacturers
- **Allabella** – for the major contribution in nail service industry of Russia
- **Sun Planet** – for the effective marketing of solariums in Russia
- **NickOI** – for the fundamental achievements in cosmetology business
- **Creom** – for the innovative approach to development of the "pharma" brand
- **Svoboda** – for maintaining the Russian traditions in cosmetics manufacturing

InterCHARM-2009 was supported by Moscow Government, Perfumery & Cosmetics Association of Russia (PCAR), professional associations of European countries and the leading media of the industry.

Opinions on InterCHARM-2009:

Susanna Navarro, export manager, Cris Cosmetics (Spain)

Our company participated in InterCHARM for the first time. We were impressed with the organization and the show itself. Before we were exhibited at global cosmetics exhibitions in Bologna and Hong Kong, and we can justify that InterCHARM is fairly one of the largest and significant events in Europe. Despite the fact that Spain hosted the local cosmetics exhibition at the same time with InterCHARM, we have chosen the Russian show.

Ludmila Zakharova, marketing director, Garmonia (Russia)

InterCHARM – is the meeting point for the leading manufacturers and one of the most prestigious events in the cosmetics market, which involves quite a considerable number of the regional market players. For us this exhibition is the most efficient channel for promotion of our production and services. Potential customers have shown interest to our company in terms of cooperation in contract manufacturing.

Vang Yan, advertising manager, Ren He Xin Beautiful Nail Co (China)

We estimate our participation in InterCHARM-2009 very positively. Here we managed to find many partners, met potential clients from the Russian regions – wholesalers and distributors. We were also happy to establish contacts with other exhibitors, participants of the exhibition. Thanks to InterCHARM we have extended the number of our buyers and clients. We plan to take part at INTERCHARM professional in April, 2010.

Inna Vigdorichik, general director, Trade House "Petroalliance" (Russia)

Despite some fears, InterCHARM has surpassed all our courageous expectations. Our manufacturer from Italy annually exhibits in Bologna and Asia. But this year he was more satisfied with InterCHARM results. The exhibition is the best way to make a personal contact to with the potential client and to estimate the general interest to the product. Despite the abundance of cosmetics, our last year's clients found us and are happy that now we represent the Italian cosmetics on the Russian market.

Svetlana Schwartz, head of sales and logistics department, Mirra-M (Russia)

For us as for the company of direct sales, this exhibition plays more an image role – we announce our presence and successful operating on the market. For us InterCHARM is the place where we meet our partners, develop and maintain fruitful contacts. This year there was a lot more foreign exhibitors of raw materials and packaging which are of great interest to Russian manufacturers, and us in particular. This exhibition is very important to us, as we don't have much possibility to invest in advertising.

In 2008 InterCHARM was acquired by Reed Exhibitions, a renowned professional trade-fair organizer, and now it is operated in Russia by Reed-SK, which strives to make the emerging Russian and Eastern European market more transparent for foreign companies and their presence here more efficient. This becomes possible due to comprehensive knowledge of the industry and unbeatable expertise in trade show running. Reed Exhibitions excels creating high profile, highly targeted business and consumer exhibitions and events to establish and maintain business relations, and generate new business. Reed Exhibitions is the world's leading organizer of trade and consumer events with a portfolio of over 470 exhibitions and congress projects in 37 countries, bringing together over 6 mln active event participants from all over the world. Today over 2,700 employees in 35 offices serve 44 industries worldwide. A unique network of offices and international sales promoters in 65 countries provide support to exhibitors on export markets.

INTERCHARM professional – April 22-24, 2010 (Crocus Expo, Moscow)

IX International exhibition for professional cosmetics and equipment for beauty salons

InterCHARM-2010 – October 21-24, 2010 (Crocus Expo, Moscow)

XVII International perfumery and cosmetics exhibition

Participation:

intercharm@reedexpo.ru

tel/fax (+7 495) 937-6861/62

PR department:

pr@intercharm.ru

tel/fax: (+7 495) 228-7071, 937-6861/62