France's Interparfums sees first half boosted by US operations

By Sarah Ahssen - September 8, 2021

In the first half of 2021, Interparfums SA, the French group specialized in producing fragrances under license, reported revenue of 101.3 million euros in North America, up 54% compared to the first half of 2019, a period which offers a better basis of comparison, seeing as the first half of 2020, which saw the company achieve sales of 41.6 million euros in the region, was heavily impacted by the Covid-19 crisis and resulting store closures.

"The United States are a leading market globally and not only for our group. The fragrance and cosmetics market is currently experiencing 35% growth there," said Interparfums SA CEO Philippe Benacin, highlighting that the company's American operations are seeing exceptional growth of 68%.

Interparfums' transatlantic success can, in part, be attributed to the sustained activity of the group's three flagship brands: Montblanc, which posted global sales of 69.4 million euros in the first half; Jimmy Choo, where sales totaled 60.1 million euros, up 30% compared to the same period in 2019; and Coach, which saw its sales grow 25% to 52.3 million.

Indeed, in the U.S., Jimmy Choo was the brand with the strongest growth during the period, thanks to the launch of the new "I Want Choo" fragrance, which has proved so popular that it has sold out in some retail locations.

North America represented 38% of Interparfums' global sales in the first half of 2021, ahead of Asia, which accounted for 16%, and Western Europe, which contributed 14%. France alone accounted for 8% of the company's sales in the period.

As previously reported, Interparfums achieved total revenue of 266.3 million euros in the first half of 2021, up 11.7% from the same period in 2019. The company's net income was 45.7 million euros, compared to 27.2 million euros two years ago.
Finally, the group's operating profit was 65.6 million euros, representing an increase of 67% compared to the first half of 2019. Operating margin was an exceptional 24.7%. However, over the course of the year, this margin should come down to around 15%, a similar level to 2019, due to renewed marketing and publicity expenses, resulting notably from efforts around the launch of Moncler's first fragrances.

Interparfums expects to have a more complicated second half of the year, citing pressures in its supply chain linked to the rising cost of materials and transport problems. "Particularly low inventory levels for finished goods and excessive delays in sourcing slow deliveries to our partners, conditions that are expected to continue until the beginning of 2022," explained Benacin.

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