

Brazil Cosmetic Industry Hoping to Rake US\$ 12 Billion This Year

Contributed by Geovana Pagel
Friday, 26 September 2008

Brazilian Exports of cosmetics grew 21% in the first eight months of 2008 when compared to the same period last year. They rose from US\$ 360 million to US\$ 421 million. This information was disclosed yesterday by the president of the Brazilian Association of Toiletries, Perfumes & Cosmetics Industries (Abihpec), João Carlos Basílio da Silva.

According to da Silva, this growth is due to the development of traditional and more important markets for sector exports - as is the case with countries in Latin America - and also to the access to new markets, like the countries of the Middle East.

"Recently, in Dubai, we had a result that was much higher than expected. The business estimate was close to that of Bologna, the largest cosmetics fair in the world," pointed out the Abihpec president. "To some Brazilian companies, which invested heavily in sales to the region, the Arab countries are responsible for 60% of exports," he said.

Cosmetics fair Beautyworld Middle East, promoted between May 18 and 20, in Dubai, in the United Arab Emirates, generated US\$ 680,000 for the 15 Brazilian companies participating, with business possibilities of US\$ 8 million in the 12 following months. In the 2008 edition, the national makers of cosmetics received around 600 visits from all around the world.

And there are many people buying cosmetics all around Brazil. The third main global market for cosmetics, perfumery and personal hygiene, in 2007, Brazil consumed around 19.6 billion Brazilian reais (US\$ 10.6 billion), growth of 12% over the previous year.

For this year, sector expectations are to reach revenues of 22 billion reais (US\$ 12 billion). "This year we should grow around 8.7%. A new tax implemented in February this year has compromised the sector performance, which had been growing on average 10.9% for the last 12 years," pointed out the Abihpec president.

Basílio da Silva also spoke about the International Week of Beauty Industry Business, which started on Saturday and should present a special program with several activities turned to the generation of business between participants in different sectors of the cosmetics industry, up to the 30th.

The event includes the International Beauty Trade Fair - Cosmetica, the 1st Scientific Congress of Cosmetology and Aesthetics, RASA (the Meeting of Sanitary Authorities of the Americas in the Hygiene, Perfumery and Cosmetics Sectors), a Buyer Project and an International Business Roundtable, promoting the travel to Brazil of 15 international importers and distributors, who will have an opportunity to talk to Brazilian producers about personal hygiene, perfumery and cosmetics products.

In its 18th edition, the Cosmetica should bring together 200 exhibitors representing over 400 brands and presenting around 2,000 new releases among 5,000 products shown in an area of 35,000 square meters. The organizers hope to receive 30,000 visitors, including 6,000 from other countries.

Among the companies confirmed are L'Oreal, Unilever, Nivea, Farmaervas, Vult, Max, Love, Sina Cosméticos, Depirol, Santa Clara and Kimberly Clark, says Ricardo Matrone, the manager of the event, which starts being promoted by Reed Exhibitions Alcântara Machado in this edition.

"We want to offer an environment that is appropriate to buyers and exhibitors, whose objective is to close deals, opening new market possibilities. For this reason, we are focusing on an audience that is highly qualified, visiting the fair with the purpose of buying items, learning about new products or growing professionally," added Eduardo Sanovicz, the fair director at Reed Exhibitions Alcântara Machado.

The Brazilian cosmetics and perfumery industry, according to Basílio da Silva, should invest US\$ 600 million in improvements. "Over the last three or four years, the sector has been growing constantly. Investment should result in an average growth of 8% in production," said the Abihpec president.

Service

Cosmetica 2008

From September 27 to 30

Time: 10 to 8 pm

Site: Anhembi Exhibition Pavilion

Web page: www.cosmeticaexpo.com.br

Business Roundtables with foreign buyers

Date: September 25th, from 9:00 am to 6:00 pm

Site: World Trade center SP

Date: September 26th, from 9:00 am to 6:00 pm

Site: Hotel Intercontinental