

Press Release

EMBARGOED: 16:00hrs 9th December 2014

European Luxury Sector Paves The Way For Europe's Economic Recovery

The European Cultural and Creative Industries Alliance (ECCIA) is pleased to report that Europe's luxury industries¹ continue to deliver strong performance and create skilled jobs in Europe despite the weak economic conditions. In the presence of the European Commissioner for Internal Market, Industry, Entrepreneurship and SMEs, Elżbieta Bieńkowska, and of Members of the European Parliament from the main political groups, a new study was launched today at the European Parliament, highlighting that:

- The **value** of goods and services produced by the sectors **grew by nearly 28% between 2010 and 2013**.
- The sector has **created close to 200,000 jobs** over the same time period.
- If **EU luxury sectors**, taken collectively, represented a country, they would be the **seventh largest economy in the EU** and the 20th largest economy in the world.

Michael Ward, Managing Director of Harrods and President of ECCIA said "*The luxury sector is the perfect ambassador for a set of uniquely European values, such as excellence, creativity and craftsmanship. Thanks to the sector's continued growth, we offer opportunities to young people from across Europe in what is a more complicated time economically. Our industry has grown out of the virtues of traditional craftsmanship, culture and creativity to become Europe's Silicon Valley.*"

ECCIA presented a first report² in 2012 that recognised the unique model of the European luxury sector, which is part of the cultural and creative industries, and its contribution to the European economy and society. The findings were subsequently validated by the EU lawmakers, who endorsed these industries as a model to follow to relaunch Europe's competitiveness.

Elżbieta Bieńkowska, European Commissioner for the Internal Market, Industry, Entrepreneurship and SMEs, stated "*High-end cultural and creative industries have demonstrated that European companies, based on non-relocatable production, can continue to drive growth and jobs in our region. We look forward to continuing our cooperation and to strengthening our support for these industries.*"

Whilst impressive, the updated figures understate the full economic contribution of the sector. Indeed, the report captures the value of significant spillovers to the tourism and travel industries, and to upstream suppliers with the development of skills-based clusters and manufacturing capability.

Silvia Costa MEP, Chair of the Committee on Education, Culture and Sport added "*The fact that the sector's success is built on our cultural heritage and traditions makes it unique. It's how Europe cannot be beaten.*"

The research underlines the clear benefits of the EU continuing to ensure that a policy framework – focusing on the highest level of protection of intellectual property and on ensuring consumers' trust online – is in place that enables the model to flourish.

Antonio Tajani MEP, Vice-President of the European Parliament and host of the report launch noted "*This reconfirms that the luxury model, with its emphasis on skills and knowledge, retains comparative advantage for the EU. It deserves our full support as legislators.*"

¹ 12 sectors including: watches and jewellery, fashion, perfumes and cosmetics, accessories, leather goods, hotels (and leisure experience), gastronomy, furniture and furnishing, design household equipment, cars and yachts, wines and spirits, retail, art and antiques, and publishing.

² Frontier Economics (2012), *The Value of Creative and Cultural Industries to the European Economy*.

The European Cultural and Creative Industries Alliance (ECCIA) is composed of the five major European luxury industry associations – Círculo de Bellas Artes (Spain), Comité Colbert (France), Fondazione Altagamma (Italy), Meisterkreis (Germany) and Walpole British Luxury (UK) – and LVMH is a member of its Executive Team. ECCIA members together represent approximately 400 of Europe's leading luxury brands covering 14 different high-end product and service markets.

Key figures: Key performance indicators 2010 and 2013

INDICATOR	2010	2013
Value of Sales (billions of Euros, current prices)	428	547
Europe's share of global sales of high-end industries	70%	70%
Sales as proportion of nominal EU GDP	3%	4%
Estimated direct and indirect employment	1.5 million	1.7 million
Estimated value of exports (f.o.b., billions of Euros, current prices)	245	308
Share of EU merchandise exports	17%	17%

Background documents

- European Commission (2012), *Commission Staff Working Document – Competitiveness of the European High-End Industries, SWD(2012) 286 final*
- European Commission (2012), *Communication on Promoting cultural and creative sectors for growth and jobs in the EU, COM(2012) 537 final*
- European Commission (2013), *Action Plan for Fashion and High-end Industries*
- European Commission (2014), *Communication for a European Industrial Renaissance, COM (2014) 14/2*
- European Commission (2014), *Staff Working Document on the State of the Industry, Sectoral overview and Implementation of the EU Industrial Policy, SWD(2014) 14 final, pp. 39-41*

Contacts

Armando Branchini (Altagamma)
Former President
T +39 02 3663 6309

Almudena Arpón De Mendivil
(Círculo de Bellas Artes)
Member of the Executive Team
T +34 91 582 91 00

Elisabeth Ponsolle des Portes
(Comité Colbert)
Member of the Executive Team
T +33 1 53 89 07 70

Michelle Emmerson (Walpole)
Member of the Executive Team
T +44 207 404 5959