

In Madrid, European Excellence discusses the present and future of the high-end industry

- Madrid is playing host to the European Excellence Summit, the European high-end industry event organised by Círculo Fortuny and ECCIA, which has been attended by prominent European representatives of excellence such as Michael Ward, CEO of Harrods; Jacques Cavallier-Belletrud, master perfumer at Louis Vuitton; Antonio Vázquez, president of IAG; and Carlos Falcó, marquis of Griñón, president of Círculo Fortuny and the ECCIA.
- The European high-end industry has a turnover of 812 billion euros, 70 per cent of the sales volume in the EU. In Spain, sales in the excellence industry reached 9.2 billion euros in 2017, 9 per cent more than in 2016, with growth rates higher than the ones recorded in the rest of the world.

Madrid, 12 September 2018.- Círculo Fortuny, a Spanish association representing high-end companies and industries, has organised the Second Edition of the European Excellence Summit in Madrid.

After the first event held in Berlin in 2017, and within the framework of the Spanish presidency of ECCIA on the part of Círculo Fortuny, an association led by Carlos Falcó, marquis of Griñón, the event brought together more than 150 representatives of the excellence industry from all over the continent.

The summit was attended by institutional leaders such as José Guirao, minister of culture and sport; former ministers Iñigo Méndez de Vigo, José María Michavila and Alfonso Dastis, the new Spanish ambassador in Rome; Teresa Riesgo, managing director of research, development and innovation; and Anna Athanasopoulou, head of tourism, emerging and creative industries at the European Commission. It was also attended by some of the most important business figures in the industry in Europe like Michael Ward, CEO of Harrods; Jacques Cavallier-Belletrud, master perfumer at Louis Vuitton; Antonio Vázquez, president of IAG; Paolo Zegna, chairman of Ermenegildo Zegna; Andreas Kaufmann, chairman of Leica's supervisory board; Frank Marrenback, CEO of Oetker Hotel Collection; and Carlos Falcó, president of Círculo Fortuny and the ECCIA.

The European Excellence Summit, which focused on the current and future state of the high-end industry, stressed the need to foster a transition that turns cultural heritage and tradition into development opportunities for cultural industries through adaptation to new consumer needs and behaviours through innovation and digitalisation.

Carlos Falcó, president of Círculo Fortuny and the ECCIA, stressed, *'Our industry creates value and demonstrates that high-end cultural and creative industries in Europe are a key asset for the European industrial renaissance, for the international image of Europe, its exports and the creation of quality employment for youth. With estimated annual sales of 812 billion euros for 2017, representing 70 per cent of the industry's global volume (1.2 trillion euros), the growth rate (50 per cent since 2013) and global leadership in the industry should be supported by digitalisation, including its sales'*.

The European industry in numbers

According to the Luxury Goods Worldwide Market study by Bain & Company, it is estimated that last year the sales volume of high-end goods and services reached 1.16 billion euros worldwide, with a growth rate of about 50 per cent compared to 2013. Seventeen out of the twenty-five largest international companies in the industry are from the European Union¹. In Europe², the industry employs about 1.1 million people directly and 600,000 indirectly.

The potential of the Spanish market

¹ Frontier Economics Report for ECCIA 2014

The market of the high-end industry in Spain could double in size in 2025 and reach revenues of up to 21 billion euros according to the 'Spanish Excellence: Today & Tomorrow' report prepared for Círculo Fortuny by the consulting firm Bain & Company. In 2017, the figure reached in Spain was 9.2 billion euros, 9 per cent more than in 2016. This rate of growth is higher than the one recorded at a global level, which was 5 per cent last year, which positions our country as an emerging high-end destination in Europe.

Transformation and modernisation of traditional brands

Michael Ward, CEO of Harrods; Paolo Zegna, chairman of Zegna; Antonio Vázquez, president of IAG and Andreas Kaufmann, chairman of Leica's supervisory board, moderated by Armando Branchini, vice chairman of Fondazione Altgamma, have analysed the keys for bringing about a change that can preserve the cultural values and traditions of the European Union's top brands while maintaining creative dynamism that contributes to innovation.

Creativity, innovation and talent, drivers of excellence

Jacques Cavallier-Belletrud, master perfumer at Louis Vuitton; Rosa Tous, vice president of Tous; and Lorenzo Castillo, interior designer and decorator; led by Enric Pastor, editor in chief of the magazine AD, have been responsible for highlighting these attributes as drivers of the new identity of the industry, determined to reach consumers by adding value and enhancing competitiveness.

New generations, new opportunities

The new ecosystem requires reinventing the relationship of brands with their followers. Joaquín Serra, vice president of Natura Bissé; Andrea Scotti, co-founder of Freeda; and Sébastien Badault, international director of fashion and luxury at Alibaba Group, coordinated by Marian Hens, BBC Journalist and head of communications in the Strategic Business Department at Amadeus, have exchanged views on this idea. According to these experts, new technologies have allowed emerging groups with purchasing power and a drive and willingness to modify their consumption patterns to emerge. They have also stressed the suitability of the timing and have identified the most important challenge for the future of the industry: creating an open and ongoing dialogue with its consumers.

Spain and Europe: leaders in experience-based tourism, gastronomy and cultural heritage

Harold Heckle, the international coordinator at Agencia Efe, has moderated for Marc Topiol, CEO of Sotogrande; Enrique Valero, general manager at Abadia Retuerta; and Frank Marrenbach, CEO of Oetker Hotel Collection, who have highlighted the potential for growth of the Spanish market based on the quality of consumers' experiences.

About the ECCIA

The European Cultural and Creative Industries Alliance, ECCIA, is composed of five major European high-end business associations: Círculo Fortuny (Spain), Comité Colbert (France), Fondazione Altgamma (Italy), Meisterkreis Deutsches Forum Für Luxus (Germany) and Walpole British Luxury (United Kingdom).

Its partners include over 300 European high-end brands from various sectors (watches and jewellery, fashion, cosmetics, accessories, leather goods, gastronomy, furniture and decoration, automobiles, yachts, wines and spirits, hotels and leisure, home auctions and editorials and publications).

Through its business model based on excellence, its members have achieved global leadership. Therefore, the European high-end industry is a key factor for sustainable development and is very important for Europe as it contributes to its economic well-being, competitiveness, creativity, innovation, employment and exports.

About Círculo Fortuny

Círculo Fortuny is a non-profit organisation, founded to bring together the Spanish industry of prestigious cultural and creative brands in a common forum, promoting and defending its corporate entity and supporting building the Spain Brand. The 63 members of Círculo Fortuny represent different business sectors that make up the Spanish high-end industry.

Its partners: LA Organic, Lladró, Loewe, Marqués de Griñón, Natura Bissé, Numanthia, Sotogrande, Abadía Retuerta LeDomaine, AYA-Aguirre y Aranzabal, Bagués-Masriera, Caruncho Garden & Architecture,

Castillo de Canena, Chocrón Joyeros, Cinco Jotas, Dehesa de los Llanos, Delpozo, Felipe Conde Guitarrero, Gandiablasco, Gastón y Daniela, Gramona, Grulla Armas, Hacienda Queiles, Hotel Royal Hideaway Formentor, Hotel Ritz Madrid, La Zagaleta, Lorenzo Caprile, LZF Lamps, Magnanni, Manuel Calvo de Mora, Marqués de Murrieta Estates & Wines, Navascués, NH Collection Casino de Madrid, Osborne Vinos Viejos, Real Conservera Española, Rosa Oriol Atelier TOUS, Sara Navarro, Sha Wellness Clinic, Suarez, T.ba, Tresserra Collection, Vega Sicilia, Vicente Gracia Joyas, Viñedos and Bodegas Sierra Cantabria.

International members in Spain include: Bulgari, Louis Vuitton and LVMH.

Honorary members of Círculo Fortuny are: Basque Culinary Center, Escuela Superior de Música Reina Sofía, Fundación Casa Ducal de Medinaceli, Fundación MACBA, Fundación Museo Sorolla, Gran Teatre del Liceu, Museo Nacional del Prado, Museo Nacional Reina Sofía, Museo Nacional Thyssen-Bornemisza, Real Academia de Gastronomía and the Teatro Real.

Corporate partners: El Corte Inglés, Global Blue, Iberia LAE and IE.