

COMMERCE

P&G sees net sales decrease across categories

January 26, 2016



Dolce & Gabbana's Light Blue campaign

By STAFF REPORTS

While in the process of selling a number of its prestige beauty brands to competitor Coty, Inc., Procter & Gamble reported a 9 percent decrease year-over-year in net sales.

Subscribe to **Luxury Daily**
Plus: Just released
State of Luxury 2019 **Save \$246** ▶

According to [WWD](#), P&G reported \$16.9 billion in net sales for the second quarter of fiscal 2016. The consumer packaged goods maker's net sales for beauty decreased 10 percent, to a total of \$3 billion.

Rough patch

In addition to slumping beauty sales, grooming also saw a decline for the quarter. P&G's grooming sales decreased 10 percent year-over-year to \$1.8 billion.

Perhaps a silver lining for the group, its organic personal care sales increased by 1 percent. In a statement given to [WWD](#), a representative from P&G said, "Organic sales increase in personal care and the super-premium SK-II skin care brand were partially offset by organic sales declines of the Olay brand."

P&G also saw declines in its health care, fabric and home care, baby, feminine and family care sales for the quarter. As a result, P&G has raised its prices to make up the lower sales volume.

The group's disappointing quarter comes during a time of strife with one of its licensees.

As part of the merger between Coty and Procter & Gamble's beauty business, 10 of P&G's fragrance licenses will be transferred to Coty.

P&G's Dolce & Gabbana will not be making the move with the likes of Hugo Boss and Gucci because it did not consent to the transfer before the given deadline. To keep the transaction on schedule, the Italian luxury brand's license will not be handed over in the deal ([see story](#)).