

FOOD AND BEVERAGE

Warning Q1 sales will dip 50-55pc, Rmy Cointreau continues support to COVID-19 relief efforts

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The loss of hospitality, bar and retail business over COVID-19 lockdowns in key markets has hit Rmy Cointreau Group hard, as it has others in the category. Image credit: Rmy Cointreau Group

By LUXURY DAILY NEWS SERVICE

France's Rmy Cointreau Group, maker of the Louis XIII and Rmy Martin Cognac brands, is taking key steps in response to the ongoing public health crisis triggered by the COVID-19 coronavirus pandemic.

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The liquor marketer has continued to pay its employees and offered cash-and-kind help in markets where it operates as part of civic solidarity measures.

"Since the beginning of the crisis, more than ever, it seemed essential for us to embody our values, to show solidarity and mutual aid," said Eric Vallat, new CEO of Rmy Cointreau Group.

"It is as close as possible to our markets and our production sites that our teams personally commit to help, to the extent of their human resources and financial capabilities, and for as long as the pandemic requires it," he said.

The steps come as **Rmy Cointreau** reported fiscal 2019-20 year sales dropped 9 percent on a reported basis to \$1.11 billion as the COVID-19 crisis took a toll on hospitality, dining and retail establishments.

Fourth-quarter revenue in the same fiscal year ending March 31 also dropped 24 percent, with the company warning that first-quarter fiscal 2020-21 sales ending June 30 will dip 50 percent to 55 percent.



Remy Cointreau, even as it slowly reopens some distilleries, is contributing to COVID-19 relief efforts by repurposing facilities and offering donations of masks to health professionals. Image credit: Remy Cointreau

Pays to donate

Starting at home, fixed compensation for members of the company's executive committee is frozen for the next 12 months, with a substantial cut to their variable remuneration for 2019-20.

More crucially, Remy Cointreau's strong balance sheet allows the company to continue providing the basic salary of its 1,900 employees globally.

While not as stridently vocal as other luxury groups from France, Remy Cointreau is doing its bit to support COVID-19 relief efforts worldwide.

In China, the company made a donation of 1.2 million yuan supplemented by its Chinese partners and group funds to the Shanghai Soong Ching Ling Foundation for the purchase of protective medical equipment in February.



Remy Cointreau's China's office is up and running. Image credit: Remy Cointreau

Back in Europe, at Scotland's Island of Islay, the company's Bruichladdich distillery worked with a local soap maker to produce hand sanitizer and distribute it to the local hospital and doctors on the island.

In France, the production sites of Cognac (Remy Martin and Louis XIII), Angers (Cointreau) and Trive (Distillery of the Domaine des Hautes Glaces) are donating neutral alcohol to local health organizations in an ongoing effort.

Remy Martin has also donated 8,000 surgical and FFP2 masks to the hospitals in Cognac and Saintes.

Meanwhile, in the United States, Rmy Cointreau donated \$200,000 to the U.S. Bartenders Guild's National Charity Foundation that financially supports bartenders whose bars and restaurants are currently closed due the pandemic and are sans income.

The Cointreau brand is especially close to the bartender community, contributing half the donation's amount to the guild.

Additionally, the Westland distillery has been making since March 23 hand sanitizer for several social and medical establishments in Washington State, which has been hit badly by COVID-19.

MEANWHILE, THE company said regional teams worldwide are working closely to develop efforts that support and proactively contribute to their local markets.

[Please click here to access the PDF of Rmy Cointreau Group's fiscal 2019-20 sales report](#)

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