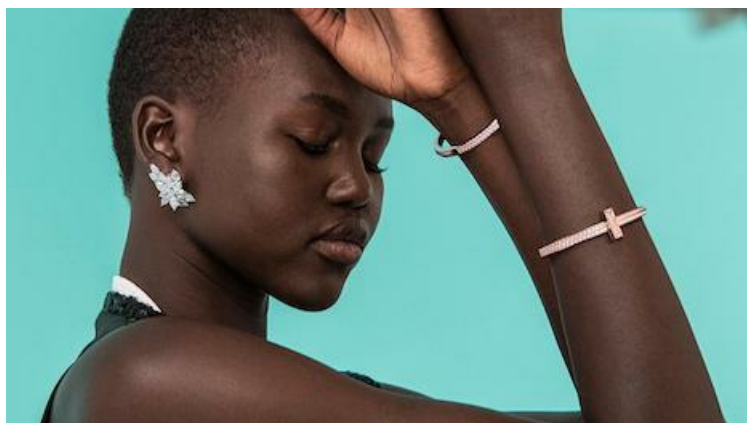


JEWELRY

Tiffany & Co. sees signs of recovery after H1 2020 sales impacted by COVID

August 27, 2020



The Tiffany T1 collection is showing positive signs of market acceptance. Image credit: Tiffany & Co.

By LUXURY DAILY NEWS SERVICE

U.S. jeweler Tiffany & Co. saw its net sales fall by 37 percent to \$1.3 billion in the first half of fiscal year 2020, as the coronavirus pandemic stalled the luxury industry this spring.

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Prolonged bricks-and-mortar shutdowns helped accelerate Tiffany's e-commerce business, which saw triple digit growth globally. The jeweler also reported that it returned to profitability in the second quarter as a result of improving net sales from May to July.

"I firmly believe that Tiffany's best days remain in front of us because of the team's demonstrated agility in response to unforeseen hurdles and our stated strategies, which continue to prove sound," said Alessandro Bogliolo, chief executive officer at Tiffany & Co., in a statement. "Our second quarter results and August trends to date, in light of these challenging times, confirm the power and resilience of this venerable brand."

Tiffany tumbles and rebounds

Year-over-year, Tiffany's net sales were down 45 percent for the first quarter ended April 30, and down 29 percent for the second quarter ended July 31.

In mainland China, retail sales began improving in April and accelerated in May.

Worldwide e-commerce sales increased by 123 percent in Q2 2020, including growth of 123 percent in the United States. Online sales accounted for 15 percent of all Tiffany sales for the first half of 2020, compared to 6 percent of sales in fiscal year 2019.

For the first half, Tiffany's net loss was \$33 million compared to \$262 million in net earnings for H1 2019 ([see story](#)).



Tiffany is set to be acquired by LVMH. Image credit: Tiffany & Co.

Net sales were down across all regions as well as all jewelry categories.

Looking ahead, Tiffany's global sales have continued to improve this month and are positive compared to August 2019.

Tiffany & Co. has also extended the deadline for its acquisition by French luxury conglomerate LVMH Mot Hennessy Louis Vuitton.

Originally LVMH's \$16 billion acquisition of Tiffany & Co. was slated to be completed on Aug. 24, but the jeweler has extended the deadline to Nov. 24. The agreement remains subject to regulatory clearance ([see story](#)).

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