

North America

North America, which posted a -4.8% contraction in like-for-like sales, had a very difficult year, marked by a gradual market decline together with a significant reduction in distributors' inventories. In the fourth quarter there was a clear deterioration in sales, particularly in department stores. Despite the substantial drop in salon visits, the Professional Products Division consolidated its number 1 position, thanks to growth in colourants and a strong performance from its upmarket brands KÉRASTASE and SHU UEMURA ART OF HAIR. In a flat market, the Consumer Products Division increased its global market share, thanks to GARNIER's excellent performance in all its businesses and strategic advances in facial skincare. There was a slight erosion in the positions of the Luxury Products Division, while the Active Cosmetics Division continued its roll-out.

Garnier: 10 years of step-by-step conquest

The GARNIER saga in the United States mass market began in 1999. Ten years later, the brand posted solid growth with sales of close to 500 million dollars in 2008. Its positioning based on natural technology and well-being, and its strategy of systematic innovation have won over American consumers. Flashback to GARNIER's breakthrough, category by category, to show how it became a must-have brand on one of the planet's most challenging and competitive markets.

GARNIER's discovery of America came with Nutrisse colourants. Ten years later, Nutrisse recorded +8% growth in 2008, climbing to fifth place with 8.5%⁽¹⁾ dollar share. This success makes it the category's fastest growing brand and GARNIER is now the number 3 colourants manufacturer in the mass market.

FRUCTIS, THE BRAND'S SPEARHEAD

In 2003, the brand got off to a very good start with the launch of Fructis, GARNIER's haircare and styling range. Indeed, within a few years, the Fructis range became number 2 in its category. In 2008, its sales grew, strengthening its market share, which has now reached 6.9%⁽¹⁾.

Fructis built on its young and dynamic image by sponsoring *American Idol*, the TV show which generates over 600 million viewers each year and has the highest audience ratings in the United States.



DOUBLE TRIUMPH IN MINERAL MAKE-UP

In a market which is highly sensitive to innovations, mineral make-up enjoyed the strongest growth rates in the market. It reflects women's growing enthusiasm for natural make-up. With its Bare Naturale line, L'ORÉAL PARIS further strengthened its positions in 2008 with the launch of new mineral foundations and mascaras. Meanwhile, MAYBELLINE NEW YORK also made a breakthrough in this market with its Mineral Power foundation, which, in less than one year, became the brand's number 1 foundation. Other new lines also produced outstanding performances in 2008, such as Infallible Lipgloss by L'ORÉAL PARIS and Colossal Volum'Express Mascara by MAYBELLINE. L'Oréal was thus leading the way in each of the major make-up categories in the United States.

(1) Sources: Nielsen/IRI retail panels, market share-value, 2008 total.



GARNIER Nutritioniste Anti-puff Eye Roller was one of the top launches in mass market skincare in 2008.



Ôscillation, the vibrating powermascara, was preview launched in 12 carefully selected American sales outlets.

NUTRITIONISTE DOUBLES SALES

In 2007 GARNIER tapped into the facial skincare market with Nutritioniste. In two years, the brand has climbed to fifth position with 5.4%⁽¹⁾ market share in 2008, compared with 2.8%⁽¹⁾ in 2007.

The launch of Nutritioniste Anti-puff Eye Roller, alongside Skin Renew Anti-Sun Damage and UltraLift Deep Wrinkle Treatment, with high visibility in the sales outlets, enabled Nutritioniste to double its sales and record the strongest growth in the facial skincare category in 2008.



(1) Sources: Nielsen/IRI retail panels, market share-value, 2008 total.

(2) Source: The NPD Group/NPD Beauty Trends.

SkinCeuticals a hit with the American press

The new SKINCEUTICALS antioxidant Phloretin CF™ was voted the best technological breakthrough and the best skin serum by *Allure* magazine. It achieved joint top ranking with CE Ferulic, the brand's flagship product, which the American edition of *Elle* magazine ranked as one of the world's top five anti-ageing skincare products.



A major player in the American professional skincare market, the brand was acquired by L'Oréal in 2005. It is sold exclusively through dermatologists, aesthetic doctors and medspas.

Ôscillation by Lancôme sets the make-up world abuzz

At the end of July, a limited edition of this revolutionary vibrating powermascara featured in a preview launch at 12 carefully selected outlets and LANCÔME boutiques, in addition to the Lancôme USA and Sephora websites. The 5,000 units available sold out in just one day. By the time the national launch took place in October, 32,000 women were already on the waiting list. Since its introduction, Ôscillation has been the number 1 mascara launch. It shares top position in this market with Définicils by LANCÔME and was the number 1 shaded make-up product on the American make-up market in the final quarter. The Ôscillation launch enabled LANCÔME to take a 34%⁽²⁾ share of the American prestige mascara market during the fourth quarter.

