



A Hutchison Whampoa Company

69

Quarter 2 • 2006

A.S. Watson quarterly family magazine

The World of A.S. Watson

Luxury Europe office opens in Paris

Reaching more milestones

Building dream teams

Making a difference

Watsons

# Contents

## About A.S. Watson Group

With a history dating back to 1828, the A.S. Watson Group (ASW) has evolved into an international retail and manufacturing business with operations in 37 markets worldwide. Today, the Group owns more than 7,400 retail stores running the gamut from health & beauty chains, luxury perfumeries & cosmetics to food, electronics, fine wine and airport retail arms. An established player in the beverage industry, ASW provides a full range of beverages from bottled water, fruit juices, soft drinks and tea products to the world's finest wine labels via its international wine wholesaler and distributor.

ASW employs over 90,000 staff and is a member of the world renowned Hong Kong-based conglomerate Hutchison Whampoa Limited, which has five core businesses - ports and related services, telecommunications, property and hotels, retail, and energy, infrastructure, investments and others, in 55 countries.

*Wats On* is the quarterly family magazine of the A.S. Watson Group. Materials from this publication may only be reprinted with full accreditation to "Wats On".

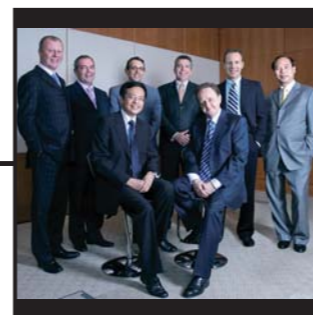
## Around the world



HWL boosts profit.....

03

## Focus story



The World of A.S. Watson .....

17

## Our home



Building dream teams.....

25

## Our community



Making a difference.....

29

## Hutch story



Chi-Med lists on AIM market.....

36

### Editorial committee

- Adviser : Ian F. Wade
- Editor : Malina Ngai

### Members :

- Group Office – Anna Tam, Jenny Cabrol, Franda Cheung, Anthea Chau
- Health & Beauty – Douwe Wielinga, Nuanphan Pat Jayanama
- Luxury Europe – Julia Bolsom
- Manufacturing – Dora Poon, Lilian Au
- Retail Hong Kong – Winnie Chow, Ivy Yeung, Teresa Pang, Mary Yau

### Published by

- A.S. Watson & Co., Limited
- Watson House, 1-5 Wo Liu Hang Road, Fotan, Hong Kong
- Email: WatsOn@asw.com.hk
- © Copyright A.S. Watson & Co., Limited
- Design by BSO Creation Limited



# Around the world


World

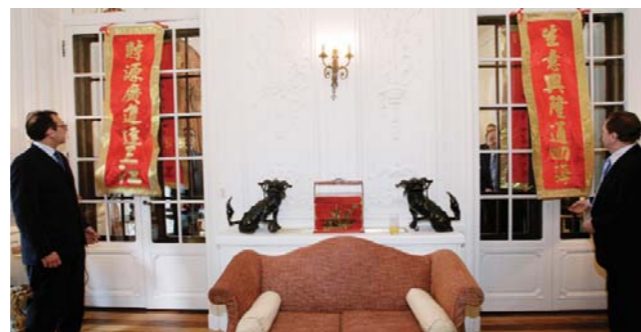


- HWL boosts profit
- Luxury Europe office opens in Paris
- Introducing innovations at Mall of Asia
- Watsons flagship store in Macau
- Reaching more milestones
- Burning issue
- "Orange" match
- Always innovative at Superdrug
- Awards recognise outstanding products
- Nuance-Watson scoops excellence awards
- New moves keep it personal
- Three cheers from wine connoisseurs
- "We Make Your Day"
- Fresh ingredient on Self Care menu
- Dreaming Scent
- Mr. Juicy introduces healthy mix
- Festive dumplings
- Teaming up with Omega & Virgin

# HWL boosts profit

For the year ended 31 December 2005, Hutchison Whampoa Limited (HWL) reported audited profit attributable to shareholders of HK\$14,343 million, 11% higher than the previous year. Turnover increased by 33% to HK\$241,862 million. (Full results can be found at [www.hutchison-whampoa.com/eng/investor/annual/annual.htm](http://www.hutchison-whampoa.com/eng/investor/annual/annual.htm))


Total revenue for the Group's retail division, A.S. Watson, increased by 30% to HK\$88,780 million, boosted by Marionnaud Parfumeries and The Perfume Shop, which were acquired in April and August respectively, a full year contribution from the Rossmann retail chain, continued sales growth in PARKNSHOP, Watsons in Mainland China and Taiwan, and the UK retail operations. 



## Luxury Europe office opens in Paris

A.S. Watson officially opened its Luxury Europe Division on 18 May in the heart of Paris.

The celebrations were hosted by Group Managing Director Ian Wade in an atmosphere combining a Chinese influence, a European flavour and a jazzy musical touch.

Wade and Hugues Witvoet, CEO Luxury Perfumeries & Cosmetics Europe, unveiled two Chinese scrolls while VIP business partners and guests from the major luxury brands and trade institutions attended two sumptuous cocktail parties. 




Françoise de Montenay, President of Chanel (left) offered her congratulations to Ian Wade at the France office opening celebration



## Introducing innovations at MALL of Asia

Watsons Philippines opened its new flagship store in May in Mall of Asia, the biggest shopping mall in the Philippines with 386,224 square metres.


Located at the main entrance, the Watsons store occupies 800 square metres and heralds a host of new product and service innovations, including a hairdressing salon, nail spa, facial services and beauty treatment rooms.

The store also includes an extended health offer with a team of 12 pharmacists and pharmacy assistants and offers a wider range of health supplements, including exclusive brands. 



## Watsons flagship store in Macau

Watsons partnered with the Shun Tak Group to open the largest flagship store in Macau on 28 April.

Located in the tourist district on Senado Square, the 1,579-square-metre flagship store has a contemporary, colourful and comfortable shopping environment and spreads over four floors, offering the first-in-the-market concept of a department store-cum-personal store. 15,000 high-quality health & beauty products and over 90 leading local and international brands are offered to meet the personal needs of different customers from Macau, Mainland China and overseas. 



Watsons China

(From left) Paolo Gasparini, President of L'Oreal China; Andrew Miles, CEO Health & Beauty Asia; Ian Wade, Group Managing Director; Ivor Morton, Regional Managing Director of Watsons China and Lu Jin Hong, Deputy Director General of Managing Committee, GZ Economic and Technological Development Zone inaugurate the opening ceremony



ICI PARIS XL

# Reaching MORE milestones

Watsons China opened its 200<sup>th</sup> store in Huadu, Guangzhou on 6 June – Watsons' 1,400<sup>th</sup> store in Asia. A.S. Watson has an aggressive goal of opening one new store every four days this year in Mainland China and reaching 1,000 stores by 2010.

A hundred helium balloons filled the sky above Heerenveen in the Netherlands on 10 May to celebrate the 100<sup>th</sup> store opening of perfumery chain ICI PARIS XL.

On 15 June, a new Marionnaud flagship store was opened in the Glattzentrum, Switzerland, with the dedicated Marionnaud Austria beauty advisors and the management team inaugurated the special opening ceremony.



Marionnaud

# Burning issue

In the UK, sun protection is classed as a luxury, yet skin cancer cases have doubled in 20 years.

That's why Superdrug has turned up the heat on British MPs to reduce the 17.5% VAT on sun care products for kids.

Superdrug SAFE Brigade "firemen" recently handed out sun cream and leaflets at the House of Commons, and a letter was sent to Chancellor Gordon Brown asking for his support. *Superdrug*



photo Fotostudio Edel/John van Gelder

# "Orange" match

The FIFA World Cup football championship stirs up many patriotic emotions. In the Netherlands, Jürgen Schreiber, CEO Health & Beauty Europe, led the entire Renswoude office staff in support of the Dutch team. On 16 June when Holland played Ivory Coast, all 450 employees showed up in the orange colours of their team. With so much support, the Dutch couldn't lose and eventually won the match 2-1. 🇳🇱



Uri Geller asks Britons to use every power in their mind to send Wayne Rooney positive thoughts

## Always innovative at Superdrug

In England, during the week that the nation's World Cup hopes were jeopardised due to the injury of star striker Wayne Rooney, Superdrug invited world famous motivator Uri Geller to lead a national positive energy session from its Oxford Street store. Superdrug also sent foot-pampering packs of Foot Heaven scrubs, creams and relaxing foot soaks to the players.

In other developments, Superdrug started selling contract 3G phones from a female-friendly Superdrug phone bar in its Basingstoke store, a formula that will be rolled out to 300 stores by September.

Meanwhile, Superdrug opened its first three stores in the Republic of Ireland in June. Located in Dublin's Omni Park, Talaght and Wexford, the stores stock all the latest health & beauty must-haves, from cosmetics and fragrances to health products and jewellery. Up to ten stores will be opened this year. [Superdrug](#)



## Awards recognise outstanding products

The 7<sup>th</sup> Watsons Health & Beauty Awards was held in Thailand in April to recognise suppliers and products that offer outstanding value, quality and sales volumes.

Held at the Four Wings Hotel grand ballroom, about 90 product suppliers in various categories were recognised while the "Best of The Best Award" was presented to two-time winner "Olay Total Effect Plus".

Entertainment included traditional Thai drums player Klong Sabad Chai Show and a mini concert from Jennifer Kim. [Watsons](#)



Watsons Thailand team cheers at the 7<sup>th</sup> Watsons Health & Beauty Awards

## Nuance-Watson scoops excellence awards

At the Raven Fox Awards Ceremony for Travel-Retail Excellence, Nuance-Watson (Singapore) was named "Best Fragrances & Cosmetics Travel Retailer in Asia/Pacific" for the third consecutive year, and "Best New Shop Opening at an Airport in Asia/Pacific (Glam Up)" for the second year.

Nuance-Watson (HK) was named "Best Gifts Travel Retailer in Asia/Pacific" and was highly commended for "Asia/Pacific Travel Retailer of the Year", "Best Fragrances & Cosmetics Travel Retailer in Asia/Pacific" and "Best Food and Confectionery Travel Retailer in Asia/Pacific".

Earlier this year, Nuance-Watson (HK) was also awarded by the Hugo Boss brand "Travel Retail Shop" of the Year for 2005. [Nuance-Watson](#)



(Top) The Nuance-Watson (Singapore) team celebrates their excellent achievements at the Raven Fox Awards Ceremony

(Bottom) Alessandra Piovesana (left), Managing Director of Nuance-Watson (HK) received the award from Raven Fox representative





# Dreaming Scent

The Perfume Shop has been helping UK tabloid celebrity Jade Goody realise her dream of launching a perfume in the UK market and secured an exclusive four-week launch period before the fragrance becomes available in other retail outlets.

To advertise the brand, a free 48-sheet billboard was erected in Central London. The Perfume Shop meanwhile hosted a media launch party on 19 June at a glamorous London nightclub and press conferences at the Oxford Street and Bluewater stores on 20 June.



## Mr. Juicy introduces healthy mix

During the hot summer months, Mr. Juicy introduced his new friend – Mr. Juicy Mix – to those who are health and beauty conscious.

The main ingredients of Mr. Juicy Mix are a blend of fresh juice and aloe vera, a plant well known for its magic effect on health as well as beauty. There are two flavours available: apple + aloe vera cube and flesh of peach + apple + aloe vera.



## Festive dumplings

To celebrate the Dragon Boat Festival and National Children's Day, PARKNSHOP China invited families to participate in a fascinating rice dumpling wrapping competition on 30 May.

Mothers with their talented children wrapped rice dumplings in innovative and extraordinary ways and a pineapple-like dumpling was judged the ultimate champion.



## Teaming up with Omega & Virgin

To coincide with the Winter Olympics in Turin, Nuance-Watson (HK) launched an outpost with Omega to present its six Chronographs Olympic Collection watches together with a special exhibition of its Olympic timekeeping memorabilia.

Meanwhile, Nuance-Watson (HK) also teamed up with Virgin Atlantic for its Upper Class Suite reward programme, the first airport retailer to work on such programme in Hong Kong. The programme offered Virgin Atlantic first-class passengers vouchers to shop in Nuance-Watson stores at Hong Kong International Airport from March until December.



Alessandra Piovesana (3<sup>rd</sup> from left), Managing Director of Nuance-Watson (HK) joined with artist Alex Fong (4<sup>th</sup> from left) and representatives from Omega and Airport Authority Hong Kong at the Omega exhibition launch



Store Openings (March to May 2006)



- Hong Kong**
- Supermarket
  - Caribbean Coast, Tung Chung
  - Shek Pai Wan
- Macau**
- Supermarket
  - Son Wo Kong Cheong
  - Coelho do Amaral



- Hong Kong**
- Master of Time



The first multi-brands luxury watch boutique at Hong Kong International Airport

- Kiehl's



The first Kiehl's airport boutique worldwide première at Hong Kong International Airport



- Hong Kong**
- Caribbean Coast, Tung Chung
  - Pierhead Garden, Tuen Mun
- Macau**
- Senado Square
  - Taipa Hou Keng
- Taiwan**
- Long Gang, Taoyuan
  - Da Shea, Kaoshiung
  - Gong Chen, Yilam
  - Ji An, Hualian
  - Der Xian, Kaohsiung
  - Song Zhu, Taichung
  - Nan Ya, Taipei
- Korea**
- 1638-19 Shillim-dong, Gwanak-gu, Seoul (신림역점)
  - Lafesta Shopping Mall B-102, 766 Janghang-dong, Ilsandong-gu, Goyang-si, Gyeonggi-do (라페스타점)
  - Mow Bldg. 1,2F, 1045-8 Hogae-dong, Dongan-gu, Anyang-si, Gyeonggi-do (범계역점)
- Singapore**
- Changi Airport Terminal 2



Watsons Singapore opened its 97<sup>th</sup> and 98<sup>th</sup> stores at the Singapore Changi Airport Terminal 2 on 9 May

- Philippines**
- Waltermart General Trias, Cavite
  - Pelaez Building, Cagayan de Oro City
  - SM Clark, Pampanga
  - SM Mall of Asia, Pasay City



- Turkey**
- Buyukcekmece, Istanbul



Watsons Turkey's 10<sup>th</sup> store, named Atirus, opened in Buyukcekmece in Istanbul



- Hong Kong**
- Fortress Digital
  - Hollywood Plaza
  - Fortress World
  - Tung Chung



- Parklane, Causeway Bay



- Hoofdstraat 15-17, Raamsdonkveer



- The Netherlands**
- Vaart Zuidzijde 54, Nieuw Amsterdam
  - Van Harenstraat 80, St. Annaparochie
  - Sterrenhof 2-4, Spijkernisse
  - Keizerstraat 36-36, Den Helder
  - Den Hof 94, Aalst
  - De Helling 50, Oude Pekela
  - Marktstraat 12, Bolsward
  - Kerkstraat 36, Hattem
  - Claas van Maarsenplein 50, Diemen
  - Betje Wolffplein 107, Hoorn
  - Grotestraat 31, Tubbergen
  - Stationplein 22, Hulst
  - Dr. Kuyperkade 11, Maassluis
  - Eskerplein 6, Almelo
  - Dorpstraat 19, Maastricht
  - Lambertuszeilplein 12-23, Amsterdam
  - Maynt Venigastraat 3a, Hoogezand
  - Marktplein 61, Broek op Langedijk
  - Klein Grachtje 24-26, Zwolle

- Belgium**
- Nieuwstraat 40-42, Essen



- Hungary**
- Városháztér 1., Kisbér
  - PPetőfi S. Street 1, Kecskemét
  - Rákóczi Street 91, Szécsény
  - Tóvárosi ltp. 68, Székesfehérvár
  - Kossuth L. Street 87, Komló
  - Földes G. Street 12, Győr
  - Kőrösi Csoma Street 35-37, Budapest

- Poland**
- Mikolajczyka 1, Ciechanow
  - Bohaterow Warszawy 42, Szczecin
  - Wolnosci 8, Choszczno
  - Wyszynskiego 17, Swidnik
  - Okolna 5, Ostrowiec Swietokrzyski
  - Mikolajska 6, Krakow
  - Reymonta 4, Radomsko
  - Prusa 46, Pruszkow
  - Bartoka 74, Lodz
  - Swietokrzyska 36, Warszawa
  - Poczтова 13, Wagrowiec
  - Krupowki 30, Zakopane
  - Mickiewicza 61, Slupsk



- Switzerland**
- Neue Winterthurerstrasse 99, CH-8301 Glattzentrum bei Wallisellen



We open 2 stores everyday!

# The World of A.S. Watson



Leading AS Watson in its global expansion are:  
(1) Ian Wade, Group Managing Director; (2) Martin So, Group Finance Director; (3) Iwan Evans, CEO Retail Hong Kong; (4) Nigel Healey, CEO Health & Beauty Eastern Europe; (5) Hugues Witvoet, CEO Luxury Perfumeries & Cosmetics Europe; (6) Andrew Miles, CEO Health & Beauty Asia; (7) Philip Ingham, CEO Global Merchandise Development and (8) Ricky Cheung, Managing Director – Manufacturing

Our Core Values -  
Passion  
Process  
Fashion

**When A.S. Watson first joined Hutchison Whampoa in 1981, the Group operated 16 retail stores and a beverage manufacturing plant in Hong Kong. Since those humble beginnings, A.S. Watson has grown to 7,400 stores worldwide and is a leading beverage manufacturer in Asia.**

**Wats On talked to Group Managing Director Ian Wade about the meteoric rise of what is now one of the world's largest retailers.**



*Wats On: Tell us about your background and what attracted you to retailing?*

I was born and bred in Bradford, Yorkshire and followed my father into retailing. He was with Marks & Spencer. My first job was with Woolworth's. I started in the warehouse in 1961, on the princely sum of ten pounds a week (equivalent to about HK\$135). I worked about 70 hours a week, and still do because there is so much to do. After being promoted to sales and staying for 13 years with Woolworth's, I moved to another supermarket chain, ASDA, for ten years – first as a Store Manager and later as a Regional Director and board member.

*Wats On: What brought you to Hong Kong?*

I got fed up with the cold climate. I was in the Pennines where it seemed to rain all the time. This job was a challenge. When I arrived in 1982 it was a very small operation with only 16 stores, eight restaurants and a quirky history. The company started as a pharmacy famous for making tablets to prevent worms from eating pork. Our chairman, Mr Li, remembers taking them when he was a child. At the time, the company was losing about HK\$40 million a year, which in those days was quite a lot of money. My brief

was to develop the retail chain from its infancy.

*Wats On: What motivates you and gets you out of bed in the morning?*

I start work at around 7:30am every morning, motivated to continue to grow this business and look after the well-being of 90,000 employees.

*Wats On: Did you imagine the Group would be where it is today when you joined?*

No.

*Wats On: What factors enabled ASW to expand so successfully?*

Ironically, the 1997 financial crisis. Until then we were only in Asia. It became obvious we had all our eggs in the Asian basket so we diversified, initially into Europe, through acquisitions. Now 75% of our stores are in Europe, including Russia, Poland and Hungary.

*Wats On: Why Europe?*

We were more familiar with Europe, rather than North and South America, which were the other alternatives. The European economy is also underpinned by

government social benefits, so people receive an income – meaning they are potential customers – whether they are working or not. That doesn't happen elsewhere.

*Wats On: What are the advantages of being so big and what are the challenges?*

The challenge is clearly to manage such a large portfolio and expand it. Our plan is to open a thousand new stores a year. We expect to be operating around 10,000 by 2008 in Asia and Europe, while moving into other geographical areas. The Americas are a possibility, but at the moment we are still digesting countries like China and Russia, which are our biggest challenges because they are so large. Russia is the fastest-growing economy in the world, as it holds the balance of power between east and west with its oil. The advantage of being such a big company is in the economies of scale in areas such as buying, store fixtures, IT, etc.



*Wats On: Besides growing its own successful brands, ASW has expanded significantly through acquisitions. What does it take to be a successful dealmaker?*

We handle almost all the deals ourselves. We look at the countries we would like to be in and analyse potential contenders for acquisition and approach them. It then becomes a negotiation between myself and the owner or CEO.

*Wats On: Are companies sometimes surprised to find a Yorkshireman representing a Hong Kong company?*

Yes. They usually expect me to be Chinese. Our various acquisitions also attract a lot of media interest. In France they seem to assume we are mainlanders. That's part of the thrill for me – developing a global business from the base of a small city like Hong Kong.

*Wats On: What is your leadership style, heading 90,000 staff from many different nationalities?*

Leadership style? You will have to ask someone else that. But I try to lead from the front, not the back, keeping the business as personal as I possibly can, even at the size we are now, with over 30 different nationalities in the management. As a Chinese firm, we don't operate in a particularly corporate way – it is not our style. We are a Chinese family business run on Western corporate lines, a mix of the two cultures.

# World's largest health & beauty retailer

## 37 markets

- Austria
- Australia
- Belgium
- Czech Republic
- Estonia
- France
- Germany
- Hong Kong
- Hungary
- Indonesia
- Ireland
- Israel
- Italy
- Korea
- Latvia
- Lithuania
- Luxembourg
- Macau
- Mainland China
- Malaysia
- Morocco
- Netherlands
- Philippines
- Poland
- Portugal
- Romania
- Russia
- Singapore
- Slovakia
- Slovenia
- Spain
- Switzerland
- Taiwan
- Thailand
- Turkey
- Ukraine
- United Kingdom



Jeffrey Vanhoutte, studio Photon

*Wats On: ASW is already the world's biggest health & beauty retailer. With the Group's recent acquisition of Europe's largest luxury perfumeries and cosmetics chain Marionnaud, and the UK's fastest growing high street chain in the sector The Perfume Shop, which add to the Benelux leader ICI PARIS XL in your portfolio, how does the luxury end fit into plans and what is the appeal?*

It was only after acquiring ICI PARIS XL back in 2002 when we began to learn about retailing in the luxury sector. It fits well into our health & beauty spectrum of retail. The sector is growing and the margins are better and more dependable.

*Wats On: What do you want to achieve by setting up the Luxury Perfumeries and Cosmetics Division?*

With 1,600 stores in the luxury sector, the Division is responsible for maximising synergies, anticipating market evolutions for care and beauty products and strengthening relationships with suppliers to generate strong growth.

*Wats On: What are the differences between the retail markets in Asia and Europe, and between mature and emerging markets?*

Mature markets like Europe are underpinned by a middle-class of affluence, but they are more difficult to defend, from a market share perspective. There is immense competition in retailing, which is a very competitive industry. That's why we have not taken PARKNSHOP to Europe, where food retailing is a very crowded sector. The trick is to balance presence in both mature and emerging markets.

*Wats On: Presumably the United States would be a great "nut" for ASW to crack?*

We are constantly looking at the US but need to tackle our emerging markets for now – most obviously China, India and Russia.

*Wats On: What are the advantages of having Hutchison Whampoa Limited (HWL) as a parent company?*

The HWL Group has a lot of financial clout and is very supportive, sharing my vision. Having diversified around the world through ports, it also has a modern international outlook. A lot of Hong Kong and Chinese firms don't look so broadly. We are the most globalised of all Chinese family businesses. It's a great tribute to the vision and competence of our chairman, Mr Li, and its multinational management.

*Wats On: Where do you see the Group five or ten years from now?*

We have a strategic plan for five years ahead and within ten years we should have global coverage, including North and South America with a start in Africa.

*Wats On: What is your proudest achievement at ASW?*

Taking the business from a relatively small city to the rest of the world, in some way repaying the company for the money and confidence they have put behind us. In five years we have gone from hardly being on anyone's radar screens to being one of the top three customers for most retail suppliers and manufacturers.

*Wats On: Can you tell us about your community work and what you do to relax?*

I'm on the board of the Community Chest and the Red Cross, and I'm a strong supporter of Mother's Choice and the Youth Arts Festival. I'm proud to have received the Bronze Bauhinia Award from the Hong Kong government for my community work. My hobby is collecting classic cars. 🚗

## A.S. WATSON fact file:

**Parent company: Hutchison Whampoa Limited**

**Headquarters: Hong Kong**

**Total number of stores worldwide:  
7,400 (Asia: over 1,700 / Europe over 5,600)**

**No. of retail brands: 20**

**No. of beverage brands: 18**

**Geographical coverage: 37 markets / 1,800 cities**

**Turnover 2005: HK\$88 billion**

**Total no. of employees: 90,000**

**Customers per week: 25 million**



# Building dream teams

Three team building workshops were held in April for Store Managers and District Managers of Watsons Hong Kong. Games were designed to train participants to trust, exchange ideas and work together to acquire skills in leadership, organisation, co-operation, interpersonal relationships and communication.

Meanwhile, over 55 team leaders from the Manufacturing Division in Hong Kong participated in a workshop to further develop their commitment and capabilities, based on the themes "Care, Initiate and Communicate".

The teams envisioned company goals, built rapport and participated in open and genuine communications across departments. Senior management co-operated with frontline supervisors and set an example on how to show care towards colleagues through active listening and positive feedback.



"The games were challenging and we felt exhausted at the end, but the learning was useful and practical"



"We now understand what effective communication is and how to ensure all colleagues receive the right message in the workplace"



Valérie Lelievre (left), Dominique Dallóvlio (middle) and Stéphanie Jusserand from Douai store in northern France were winners and they will visit Hong Kong in October

# High flyers

Marionnaud took part in Chanel's "Allure Sensuelle Campaign" in April, which started with a gala evening hosted by Françoise de Montenay, President of Chanel, and attended by A.S. Watson Group Managing Director Ian Wade.

Wade offered Marionnaud staff a big incentive. Beauty advisors with the best sales performance received a luxury trip to Hong Kong and Mainland China. /Marionnaud.



Academy Library



Mock-Store

# FORTRESS inspires smart people

The FORTRESS Academy was established on 1 March to synchronise this year's FORTRESS vision – Inspiring Smart People.

To provide resources and facilitate training, the "FORTRESS Academy Library" and a "Mock-Store" have been set up and all staff have the opportunity to participate to improve their knowledge and skills.

Five professional courses are offered, covering sales, business, management, store operation and succession development. There are also courses on "Golden Selling Rules", "Foreign Languages", "Pressure Management" and "Cost Management".







Watsons Turkey's high-spirited soccer team (from left to right)  
 Front row: Zafer, Kadir, Ozgur, Ferhat and Furkan  
 Back row: Cem, Muzo, Sinan, Engin, Serdar, Yusuf and Ozcan

## On the ball in Turkey

Led by Head Office Warehouse Supervisor Yusuf Elmas, soccer fans in Watsons Turkey formed their own team in March, wearing the Watsons strip and participating in competitive matches against local teams and those formed by suppliers.

So far, the squad has achieved encouraging results in most games and are confident of giving the ASW soccer team in Hong Kong some stiff competition when they get a chance to meet each other in Hong Kong. 

## Sporty welcome

In Europe, the Dutch ICI PARIS XL office team organised a tennis event on 8 June to give their new General Manager, Leo Van Welij, a warm and sporty welcome after his first 100 days with the company and to reinforce the strong team spirit within the Dutch affiliate. 




Barbara André (2<sup>nd</sup> front left) and Miek Vercouteren, Regional Managing Director of ICI PARIS XL (1<sup>st</sup> back left) meet with ICI PARIS XL founders Mr Brenig (2<sup>nd</sup> back left) and Mrs Brenig (1<sup>st</sup> front left) in the ICI PARIS XL store



Barbara André started her career on 20 April, 1976 as a Shop Assistant in the first ICI PARIS XL shop at Chaussée d'Ixelles in Brussels, where she worked with the founders Mr & Mrs Brenig.

Throughout her working life, Barbara has been committed to making the company great by employing "PARISXL" – Professionalism, Attention, Respect, Initiative and Service in eXtra Large.

Since 1980, she has worked as a Shop Manager at the rue de Tongres store in the heart of the European Community administration centre. She and her staff are trained to speak 15 languages (Dutch, French, English, German, Italian, Spanish, Portuguese, Greek, Turkish, Iranian, Vietnamese, Russian, Lithuanian, Armenian and Polish) to ensure the needs of diversified clientele can be completely satisfied. 

# 30 years of service




# Making a difference

Marionnaud France in June presented a €51,612 cheque to "Cosmetic Executive Women" (CEW), an association offering free beauty care to sick women, and a cheque of €72,696 to "Federation National Solidarite Femmes" (FNSF), an association against domestic violence.

Marionnaud has signed a five-year partnership with CEW and has helped raise funds through selling greeting cards. Marionnaud also donated €2 to FNSF on every purchase in March, and will publish flyers and establish hotlines to promote the anti-violence message.

Meanwhile, Marionnaud Portugal lent its support to Unicef on National Children's Day on 1 June. On every purchase made on that day, Marionnaud donated €3 to Unicef for a total of €3,250.

To encourage the spirit of helping children, the stores were nicely decorated and all the beauty advisors wore tailor-made T-shirts with the Marionnaud and Unicef logos. Famous children idols Noddy and Karyna appeared in two stores, thrilling the kids with magic and make-up sessions. 

# 33 Thirty-three reasons to celebrate

PARKNSHOP Hong Kong celebrated its 33<sup>rd</sup> birthday in a meaningful way on 29 March when its volunteer team delivered over 1,200 products to the Integrated Family Service Centre in Tseung Kwan O (South) under the Hong Kong Family Welfare Society, for distribution to families in need in the region.

To acknowledge the loyalty of its valued customers, PARKNSHOP also held a grand lucky draw with fabulous prizes that included 33 gold coins and PARKNSHOP cash coupons worth HK\$1,000.




# Helping Hands

The Watsons Taiwan team has given its full support to the Canadian Society's International 101 Climbathon, donating NT\$130,000 to run up 2,046 stairs in the "Taipei 101" building in Taiwan.

The Canadian Society has raised over NT\$1.85 million for the Garden of Hope Foundation, the Community Services Center and Taipei City Hospital.



Meanwhile, Khun Nuanphan Jayanama (4<sup>th</sup> left), Marketing Controller of Watsons Thailand presented a selection of essential items, including soap, shampoo, drinking water and medicine valued at over 200,000 baht to Suksunt Vanaputi (3<sup>rd</sup> left), Deputy Governor of Uttaradit province, to help villagers who were affected by the recent flood disasters in the province. 





# Warm Visit

On 13 May, 30 ASW staff volunteers and their families in Hong Kong visited Project Care's "Small Group Home" at Shatin and Sheung Shui, which are temporary homes for children with family problems. The volunteers played games and chatted together with the children in a joyful and relaxing atmosphere and they came away with a strong feeling that having a happy home is something to be treasured.



# Group Office are "treasure hunt" champs

To help raise funds for The Community Chest of Hong Kong, A.S. Watson in April and May dispatched four teams (Group Office, PARKnSHOP, Watsons Your Personal Store and Watsons Water) to participate in the "Treasure Hunt Corporate Challenge – Corporate team" event held at Fisherman's Wharf, Macau.

The Group Office team also participated in the "Treasure Hunt Corporate Challenge – Super Team" held at a Fire Station in Hong Kong, defeating nine teams to win the championship.



# "No Plastic Bag Day" raises awareness

PARKnSHOP and Watsons Your Personal Store participated in Hong Kong's first "No Plastic Bag Day" on 15 April to encourage the public to bring their own bags when shopping.

Customers were not automatically given plastic bags for their purchases as is usually the case, and those who did need one were encouraged to donate five cents per used bag to the independent development and relief agency Oxfam.

To foster awareness, PARKnSHOP and Watsons lent their support to the "No Plastic Bag Day" which will be held on the first Tuesday of every month.



# ASW joins tree-planting challenge

A.S. Watson Group (ASW) and Watsons Water lent their support to the "Tree Planting Challenge 2006", organised on 30 April by Friends of the Earth, Hong Kong. The challenge is dedicated to protecting and improving the environment locally and regionally through education, research and campaigns.


Aimed at restoring a hillfire-affected areas and promoting the message of nature conservation through a tough and hands-on experience of tree-planting, 200 teams, including three from ASW, planted 10,000 fire-resistant and high water content Schima Superba (Chinese Gugertree) as a natural firebreak in the Shing Mun Country Park.

Each member was required to plant 50 to 100 seedlings within six hours and complete a 13-km trail.



# More than skin deep

In May, Superdrug launched the first-ever skin cancer campaign, called "SAFE". The campaign promotes skin awareness and is hosted by The Institute of Cancer Research and supported by supermodel Cindy Crawford. It will help raise skin safety awareness and generate funds for research into developing better treatments for skin cancer and ultimately saving lives.


In support of the campaign, Superdrug is offering in-store communication, establishing in-store "mole" clinics, donating a percentage of profits from its Solait sun-care range and hosting a fundraising event. Check out more about SAFE at [www.safe-campaign.org](http://www.safe-campaign.org). 



# A sporting chance

The A.S. Watson Group Hong Kong Student Sports Award Presentation Ceremony was held in March to honour 616 primary, secondary and special school students who demonstrated good academic performance and sporting talent.

Additionally, leadership workshops were arranged for the students to build up their self-confidence and develop leadership skills, organisational abilities and teamwork.

30 students were selected out of the winners to participate in a sports exchange tour to Beijing in July to further their understanding of the preparation of the 2008 Olympics as well as sports development in Mainland China. 



# Summer sun sense

1. DON'T overdo it
2. Use a HIGH SPF
3. Protect fair SKIN
4. COVER the kids
5. Look after LIPS
6. GO undercover

Summer is here! And while you are enjoying the warm sunshine, you also need to **BE SAFE** in the sun. Here are some handy tips. <Source: Superdrug>

Avoid over-exposure to UV light. Seek the shade when the sun is at its strongest between 11am to 3pm.

Liberally apply sunscreen lotion of SPF 15 or above 30 minutes before you go into the sun. Reapply regularly.

Take extra care if you have fair skin, which is more likely to burn. Cover up with a wide-brimmed hat and long, loose clothing.

Protect children with loose clothing, a sun hat and high-factor sunscreen lotion. Over exposure at an early age could increase the risk of skin cancer.

Keep your lips soft and protected with a moisturising lip balm rather than sunblock.

Remember, you can still burn on a cloudy day and protection is still needed.

Answers to Issue no. 68:

- 1) Estonia and Slovenia
- 2) Seventh-most favourite retailer in the UK
- 3) Innovation and localisation / Quality excellence / More choices / Value for money / Professional and dedicated staff (any one)

Issue no. **69**

### Super Prize (Passport holder)

Name	Company & Department
1. Wong Wai-yiu	ASW – OSD
2. Jade Cheung	Watsons HK – Accounts
3. April Cheng	Watsons HK – HR
4. Max Chan	PARKNSHOP HK – Construction & Engineering
5. Wilson Mak	PARKNSHOP HK – Construction & Engineering
6. Hui Yuk-sze	PARKNSHOP HK – Accounts
7. Luby Yeung	FORTRESS – Sales Admin
8. Leung Mei-kei	Nuance-Watson (HK) – Finance
9. Michelle Poon	ASWI – Finance
10. Wong So-fong	ASWI – Finance
11. Lau Tsz-ching	ASWI – Warehouse
12. Song Zhi-wei	ASWI Beijing – Quality Control
13. Liang Jing-xian	ASWI Guangzhou – Finance
14. Emily Yao	Watsons Taiwan – LO & PC
15. Kent Khoo Vie Loon	Watsons Malaysia – Marketing
16. Melody B. Beltran	Watsons Philippines – Logistics
17. Anna Aimelyn P. Naquera	Watsons Philippines – IT
18. Jekaterina Petrunja	Watsons Estonia
19. Leva Januskyte	Drogas Lithuania
20. Gunta Skrebele	Drogas Latvia

### Gold Prize (Watsons Water Champion Challenge souvenir kit)

Name	Company & Department
1. Hui Wing-man	ASW – OSD
2. Cheng Yuk-ling	Watsons HK – Accounts
3. Shirley Kwok	PARKNSHOP HK – Finance
4. Shirley Cheung	PARKNSHOP HK – Finance
5. Cher Yeung	PARKNSHOP HK – Construction & Engineering

6. Dorothy Wong	FORTRESS – Office Admin
7. Johanna Ng	FORTRESS – Service Operation
8. Pong Sau-chi	ASWI – Purchasing
9. Yong Qian-qiu	ASWI Guangzhou – Quality Control
10. Lilian Chen	ASWI Guangzhou – Finance
11. Wayne Liang	ASWI Guangzhou – HR
12. Zhang Ye	ASWI Shanghai – ISD
13. Lian Zhi-hong	ASWI Beijing – Quality Control
14. Marsha P. Joyno	Watsons Philippines – Merchandising
15. Ronalyn M. Panganiban	Watsons Philippines – Finance
16. Virness Baroque	Watsons Philippines – Space Planning
17. Noelle Lim	Watsons Malaysia – Marketing
18. Jana Gashkova	Drogas Estonia
19. Loreta Maseviciene	Drogas Lithuania
20. Bartholomeusz, Margaret	Superdrug

### Silver Prize (Fortress "Hip" bag)

Name	Company & Department
1. Amy Au	ASW - OSD
2. Catherine Wong	Watsons HK – Accounts
3. Loo Kwok-fai	PARKNSHOP HK – Construction & Engineering
4. Alice Leung	ASWI HK – HR
5. Tsang Yim-fong	ASWI HK – Garage
6. Mo Jin-shu	ASWI Guangzhou - Construction & Engineering
7. Maya E. Martinez	Watsons Philippines – Operations
8. Camela B. Tancontion	Watsons Philippines – Merchandising Regulatory
9. Marika Kaarjarv	Drogas Estonia
10. Burbage, Christine	Superdrug – Pharmacy

### Questions:

- 1) In which city was the A.S. Watson Luxury Europe office opened?
- 2) What was the store number milestone Watsons China just celebrated?
- 3) How much did Marionnaud donate to CEW, an association offering free beauty care to sick women?

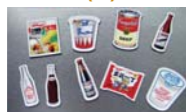
#### Super Prize (20)



Bluetooth clip handset

Sponsored by

#### Gold Prize (20)



70s product shots magnet set

Sponsored by

#### Silver Prize (30)



Twin pouch set

Sponsored by

Name of Staff Member: \_\_\_\_\_ (ENG) \_\_\_\_\_ (CHI)

Company & Department: \_\_\_\_\_

Address: \_\_\_\_\_

Employee No: \_\_\_\_\_ Contact Tel No: \_\_\_\_\_ Signature: \_\_\_\_\_

A1: \_\_\_\_\_ A2: \_\_\_\_\_ A3: \_\_\_\_\_

Send your **completed** entry form to:

**Group Public Relations**  
**A.S. Watson Group**  
**11/F Watson House**  
**1-5 Wo Liu Hang Road**  
**Fo Tan, Shatin, Hong Kong**

or Email to [WatsOn@asw.com.hk](mailto:WatsOn@asw.com.hk)

Deadline: 10 September 2006



Hutchison China MediTech Limited ("Chi-Med") began trading on the AIM market of the London Stock Exchange on 19 May, raising approximately £40 million through a placing of new Ordinary Shares.

Chi-Med was established in 2000 and is the holding company of three complementary businesses based primarily in Mainland China that focus on researching, developing, manufacturing, and selling pharmaceuticals, health supplements and other consumer-health and personal-care products derived from Traditional Chinese Medicine (TCM) and botanical ingredients.

Chi-Med draws on the untapped wealth of knowledge and history of usage in the TCM industry and develops these products for the global market.

Chi-Med is currently expanding its focus from botanicals to include semi-synthetic natural products and synthetic single chemical entity drugs. The China healthcare business focuses on the manufacture and supply of TCM pharmaceuticals and health supplements and the consumer-products business is developing "Sen" as a quality TCM brand providing medicines and services via its own retail stores. Already well known in the United Kingdom, Sen recently signed an agreement with LG Household and Healthcare to develop the brand in South Korea.