

# MIAMI BEACH

OFFICE OF THE CITY MANAGER

NO. LTC# **285-2016**

LETTER TO COMMISSION

TO: Mayor Philip Levine and Members of the City Commission

FROM: Jimmy L. Morales, City Manager

DATE: July 1, 2016

SUBJECT: **MB MIAMI BEACH SUNCARE UPDATE**

The purpose of this Letter to Commission is to provide you with an update on the MB Miami Beach Suncare licensing program.

The City partnered with Destination Brands International and launched MB Miami Beach Suncare in March, 2014. Since then they have worked diligently to continue growing the brand; locally, nationally, and internationally.

Destination Brands began 2015 with an aggressive growth strategy, taking on a new direction after feedback from the first year. New direction included focusing on building a stronger local base and building international relationships. Results of these new initiatives have proven successful. Some of the results include:

- **Expanded regional retail placement:**
  - Exclusive sales agreement with Miami Beach concessionaires, The Boucher Brothers, various Miami Beach hotel gift shops, boutiques, spas, pools and in-room mini-bars – 100 properties in total with 5,500 combined hotel guest rooms.
- **National Retail Placement:**
  - Distribution in Florida, Alabama, Louisiana, Mississippi and Georgia in beach shops, resort boutiques and spas – 250 stores.
  - Sold at Target stores in South Florida and online – 5 stores.
  - Sold at Navarro stores in South Florida, including Miami Beach – 20 stores.
- **International Retail Placement:**
  - The full line launched in more than 200 outlets in Spain, Portugal and the Canary Islands.
  - Distribution includes a variety of coastal/beach stores, perfumeries/ beauty stores and mass outlets including El Corte Ingles.
  - Program also launch in Italy – 80 Stores.

In 2016, the product line was expanded to include MB Tanning Oil Spray with SPF 8, MB Faces Sunscreen Lotion, SPF 30 and MB Faces Sunscreen Lotion, SPF 50. The addition of these new products brings the total product assortment to 10 products.

In addition, the Sunscreen Dispenser Program, which launched 50 free sunscreen dispensers throughout the city's public beaches, pools, parks was the first in the nation and garnered national recognition and has served as a model for programs instituted in other cities. The City of Miami Beach was invited to participate in The White House Cancer Moonshot Summit in Washington D.C.. The Cancer Moonshot Summit was announced by President Barack Obama, during his final State of the Union address. The program established this new initiative to accelerate cancer research, and tasked Vice President Joe Biden to head up the national effort to make a decade's worth of advances in cancer prevention, diagnosis, treatment and care in five years. Miami Beach was in attendance and received recognition from the Vice President.

Financial reports from 2015 reported net sales of \$475,000 - an increase of over 239% from the prior year. Per the contract, royalty payments became due in 2016. The City has received the first royalty payment in the amount of \$33,000.

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