

# Brand Announcement

## Reeves

Dear colleagues,

With our strategic focus on our Fine Art ranges of Winsor & Newton, Liquitex and Lefranc Bourgeois which represent the core of our business, we have reviewed the role that Reeves plays within the overall Colart portfolio.

As you know, our focus is on profitable growth and we must concentrate our efforts and resources on the brands and ranges which give us the greatest return. Reeves does not deliver the level of profitability that we need and combined with the recent decline in global sales, this has led us to take the decision to cease the manufacture and sales of Reeves' products before the end of 2019.

The commercial teams are working closely with key customers on the optimum timing to phase out sales of Reeves and to understand what volumes they will require between now and the phase-out of Reeves in their stores.

Whilst the production of Reeves has been minimal this year due to lower sales, we will work with our colleagues in CTAM to both manage this change and minimise the impact on the Tianjin site. We are currently working on producing a revised production program to reflect the need to meet an increased demand from some customers as they prepare for the phase-out on. This potentially could increase overall demand for the next few months on the site, resulting in the need to maintain a higher than expected level of resources in CTAM.

Whilst this is a decision to no longer actively manufacture and sell the brand, in parallel we are exploring opportunities to licence the Reeves brand to selected distributors and retailers in certain markets where this makes financial sense. This will serve to ensure the continuity of the brand despite the decision by Colart to no longer manufacture and sell the brand directly.

We remain committed to sustaining our strong role in the Fine Art materials' market. With our focused investment on our Fine Art brands, we will bring added value to our customers through developing deeper partnerships and our consumers through strong brand engagement.



Gail Pasquier  
Chief Commercial Officer