

Meeting Agenda and Purpose

Agenda

Minutes 0 - 5: Introductions

Minutes 5 - 30: Research
presentations

Minutes 30 - 40: Questions &
discussion

Purpose

To discuss what factors support the continuation of Hermès expanding its operations and retail presence to Lagos, Nigeria through the opening of a brick and mortar location. This team is aiming to fully confirm the viability of opening this location based on manufacturing logistics, geographic and development analysis and numerous other factors.

Market Opportunity

Hermes Locations

Europe: Austria, Belgium, Czech Republic, Denmark, France, Germany, Greece, Ireland, Italy, Luxembourg, Monaco, Netherlands, Norway, Portugal, Spain, Sweden, Switzerland, Turkey, United Kingdom

Middle East: Bahrain, Lebanon, Qatar, United Arab Emirates

American Continent: Argentina, Brazil, Canada, Chile, Mexico, Panama, United States

Asia: China, Hong Kong, India, Indonesia, Japan, Korea, Macao, Malaysia, Philippines, Singapore, Taiwan, Thailand, Vietnam

Oceania: Australia
(Hermès)



Why Lagos, Nigeria?

- GDP hit \$259 billion in 2025
 - (Lagos State Government, 2025)
- Rising disposable income, luxury spending
 - (Statista, 2023)
- 21 million+ residents
 - (Sheposh, 2024)
- 78% smartphone penetration
 - (Ozibo, 2025)
- Lagos Fashion Week & rising local designers
 - (Lawanson, 2022).
- Growth of malls & improved airport logistics
 - (Internet Geography, n.d.)

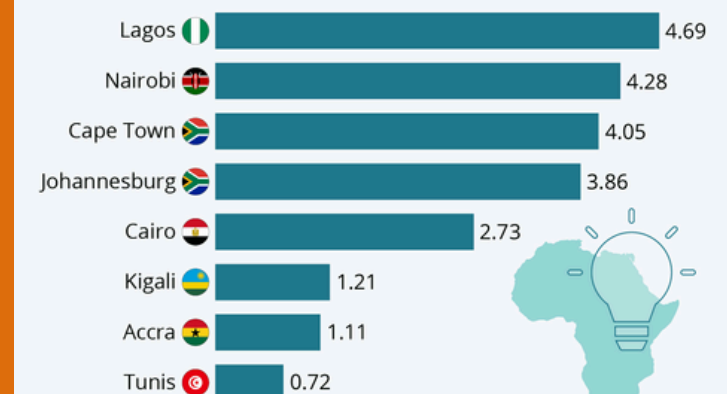


Potential Problems

- Infrastructure Deficiency
 - (Mashable Nigeria, 2023)
- High Risk of Natural Disaster
 - (Britannica, 2025)
- Supply Chain Inefficiencies
 - (Mashable Nigeria, 2023)
- High Cost of Real Estate
 - (Mashable Nigeria, 2023)
- High Crime Rates
 - (Mashable Nigeria, 2023)

Lagos Is Africa's Startup Capital

Leading cities for startups in Africa in 2021 (by total score)*



* Based on quantity (e.g. number of startups/accelerators), quality (e.g. number of unicorns, exits, pantheons) and business (national economic indicators) scores
Source: StartupBlink

Levels of Development Factors

Education

- Nigeria- largest youth population in Africa, rising university enrollment
 - (Sheposh, 2024)
- National literacy rate: 78% as of 2023
 - (Statista, 2023)

Human Rights

- Constitutional democracy with legal protections for civil liberties
 - (Commisceo Global, n.d.)

Infrastructure

- Lagos GDP reached \$259 billion in 2025, Africa's 2nd largest city economy
 - (Lagos State Government, 2025)
- Major investments in roads, airports, malls, and telecommunications

Bureaucratic Efficiency

- CAMA 2020
- Lagos port is the fastest-clearing in the country
 - (Reuters, 2025)

Labor Costs

- National minimum wage = ₦30,000/month (~\$20 USD/week)
 - (Ohuocha, 2025)

Overall Stability and Security

- Lagos = Nigeria's safest economic zone
- Crime occurs elsewhere, far lower in upper-income districts, ideal for Hermès clientele

Geographic Factors

Shipping Cost

20 Foot Container: \$3,113.72
40 Foot Container: \$3,344.37

(BR Logistics USA Inc, n.d.)

Shipping Time

5 - 25 days

(BR Logistics USA Inc, n.d.)

Import Duties

20% duty on finished goods
1% of FOB administrative
7.5% VAT, 0.5% ECOWAS

(DHL, 2024) (Nigeria Customs Services, n.d.)
(Concessionary Logistics Limited, 2024)



Risk for Natural Disaster

- High risk for flooding
- Rising sea levels
- Heavy rainfall

(Britannica, 2025)

Cultural Values and Norms

- Communication styles vary, generally welcoming
- Prefer personal relationship prior to business
 - Be polite and conservative, gift giving, do not use left hand

(The Elephant, 2022)



LINE PLAN



\$3,650
France
100% Silk



\$1,275
Italy
96% Cotton,
4% Elastane



\$2,575
France
100% Silk







\$880
Italy
100% Cotton

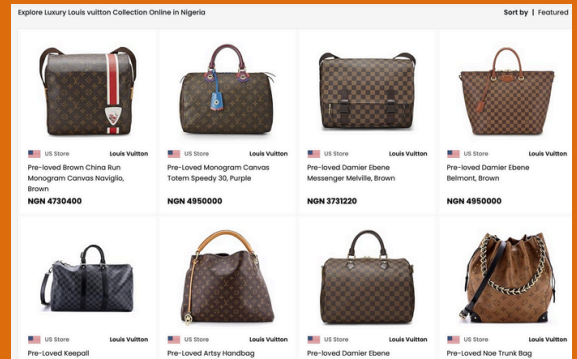


\$5,650
France
100% Silk

Competitor Analysis



Brand				
Fashion Level	Fashion Goods	Fashion Goods	Fashion Goods	Fashion Goods
Price Level	Ultra-luxury	Premium Luxury	Premium Luxury	Premium Luxury
Store Presence (Nigeria)	None, available via luxury multi-brand boutiques	None, available via luxury multi-brand boutiques	None, available via luxury multi-brand boutiques	None, available via luxury multi-brand boutiques



SWOT Analysis

Strengths

- Existing demand for luxury
- Brand control
- Ports

(Investing in Africa, n.d.)
(Ken Research, 2025)

Weaknesses

- Rely heavily on business travelers and tourists
- Reset expectations

(Statista, 2025)



Opportunities

- Economic hub
- High access compared to rural areas
- Expansion into many sectors
- Growing wealthy population

(Internet Geography, n.d.)

Threats

- Flooding
- Pollution
- Rapid growth
- Political instability

(Cool Geography, n.d.)



Textile Sourcing Plan

Silk:

- Fibers sourced from a silkworm plantation in Brazil
- Transferred to Lyon, France (Silk manufacturing capital/hub)
- Privately owned manufacturing facility: Holding Textile Hermès
- Located in Pierre-Bénite in the Region of Lyon
- Address: 16 chemin des Mûriers 69310 Pierre-Bénite
- Products manufactured in France (No tariff cost)
- Shipping times: 1 day
- Website link: <https://www.holding-textile-hermes.com/en>

Cotton & Elastane:

- Fibers sourced from small cotton farmers located across Africa (CMiA)
- Transferred to Italy for production
- Manufacturing Facility: Cotonificio Albini
- Address: Via Dr. Silvio Albini, 1, 24021 Albino BG, Italy
- Estimated Tariff Cost: \$0 (both countries are apart of the European Union)
- Shipping times: 3-5 days
- Website Link: <https://www.albinigroup.com/>

Albini 1876



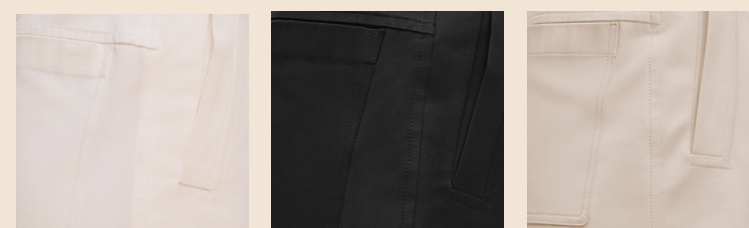
HOLDING TEXTILE HERMÈS



Fabric 1: 100% Silk



Fabric 2: 96% Cotton 4% Elastane



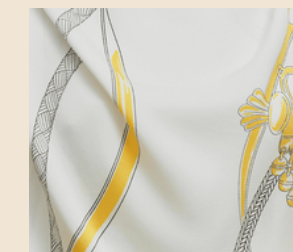
Fabric 3: 100% Silk



Fabric 4: 100% Cotton



Fabric 5: 100% Silk



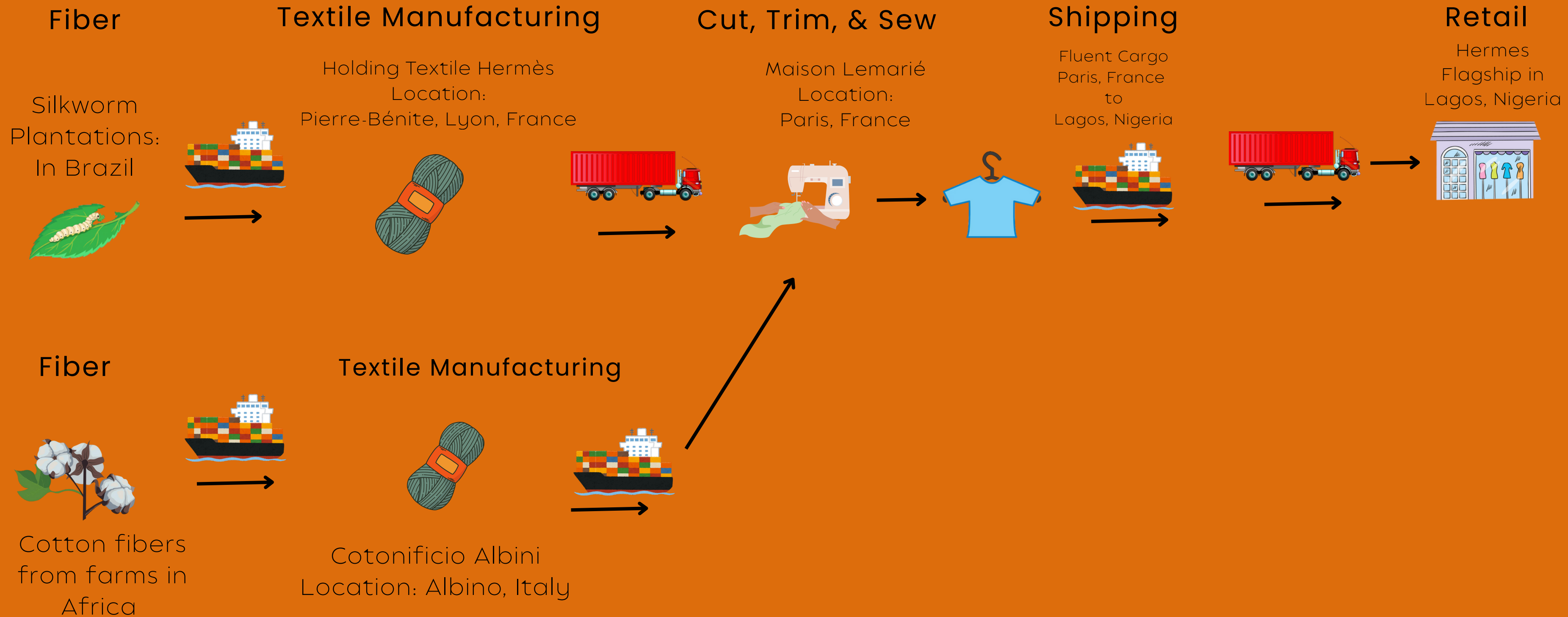
Garment Manufacturing Plan

LEMARIÉ



	Short pants in "Candy Libris Bandana" printed in mottled silk	Shorts in double stretch cotton twill	Tunic in "Palefroi Remix" printed silk scarf	Straight t-shirt in "Palefroi Remix" printed jersey	Draped dress in "Palefroi Remix" printed silk crepe
Factory	Maison Lemarié	Maison Lemarié	Maison Lemarié	Maison Lemarié	Maison Lemarié
Location	Paris, France	Paris, France	Paris, France	Paris, France	Paris, France
Manufacturing Services	CMT	CMT	CMT	CMT	CMT
Estimate Tariffs	20%	20%	20%	20%	20%
Estimate Shipping Time	16 - 17 days	16 - 17 days	16 - 17 days	16 - 17 days	16 - 17 days

Supply Chain Overview



Seasonal Sales Goal



Annual Revenues (12 Months, All Stores): 16,415,000,000
 Number of Stores Globally: 293
 Annual Revenues / number of stores = avg \$\$ per store, per year: 56,023,890
 avg \$\$ per store, per year / 2 = 6 month seasonal sales goal for new store (28,011,945)

Month	Percent %	x Seasonal Sales \$	= Monthly Sales \$
January	8%	\$28,011,945	\$2,240,955.60
February	13%	\$28,011,945	\$3,641,552.85
March	25%	\$28,011,945	\$7,002,986.25
April	20%	\$28,011,945	\$5,602,389.00
May	18%	\$28,011,945	\$5,042,150.10
June	16%	\$28,011,945	\$4,481,911.20

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