New Burberry chief faces tough choices on high-end ambitions

PARIS — Burberry's new boss Joshua Schulman faces an immediate strategy dilemma.

On Monday, the former head of Coach was appointed to replace Jonathan Akeroyd, becoming the fourth chief executive officer (CEO) of the £2.6-billion ($3.36 billion) British fashion house in 10 years.

Chairman Gerry Murphy vowed on the same day to continue Burberry's upmarket push to compete with upper tier European luxury labels including Louis Vuitton, Chanel and Dior.

The message disappointed those looking for stronger reassurance the maker of iconic tartan trench coats will be able to reverse years of underperformance, with some expecting Mr. Schulman to focus on lower priced products. Shares were trading at 722 pence by 0830 GMT on Friday, down around 19% since before the announcement.

In a call with journalists on Monday, Mr. Murphy described the abrupt top management shuffle as part of "a nudge of the tiller and adjustment rather than a fundamental change of strategy."

The label's struggles to reignite sales underscore the challenge of building new expectations around historic brands — especially when inflation-hit shoppers are less inclined to browse stores, as seen at larger rival Gucci, owned by the Kering conglomerate.

Burberry is a case in point. Under Marco Gobbetti, who ran the group between 2017 and 2021 and hired designer Riccardo Tisci, the company had started to focus on trying to elevate its products to the top end of luxury fashion, without much financial success.

Outgoing CEO Mr. Akeroyd, who took the helm in 2022, pinned a further attempt at Burberry's turnaround on higher-margin accessories, like the medium-sized Knight leather bag — currently priced at £2,090 ($2,701.12) — launched by designer Daniel Lee last year.

Mr. Lee's edgy designs generated some buzz around the label, but the drive into the higher echelons of luxury has left investors hanging. Underlying sales were down 21% year on year in the 13 weeks to end June. Burberry has scrapped its dividend and warned it expects to post an operating loss in the first half of its fiscal year.

Shares in Burberry have halved in value in the past decade while LVMH's have meanwhile risen nearly 400%. They have also underperformed Kering's shares even as the conglomerate's star brand Gucci struggles.

Mr. Murphy said Burberry had gone too fast, too far with new styles, and pledged to focus on the British house classics, adding that shoppers prefer more familiar looks during economic downturns.

Some luxury experts believe the British brand should pursue a different route.

Bernstein analyst Luca Solca said he initially read Mr. Schulman's appointment as an opportunity for the label to draw on his background in American accessible luxury to refocus on more basic, lower-priced items.

The executive, who headed mid-range brand Coach from 2017 to 2020, is credited with relaunching the label's highly popular Tabby handbag, which sells for as much as $750 and has been a major growth driver. — ***Reuters***

Thai probe into BYD EV discounts to continue despite cashback offer

BANGKOK — A Thai investigation into discounts from China's BYD will continue despite a cashback program from its distributor in response to a backlash from consumers who felt they overpaid for their electric vehicles (EVs), a senior official said Friday.

Thailand, a regional auto assembly and export hub, is BYD's largest overseas market, where it is the top-selling electric vehicle brand. BYD last month opened a factory in Thailand, its first in Southeast Asia.

Rever Automotive, BYD's Thailand distributor, last week announced a cash-back program and discounts at charging stations until March 2025.

Existing BYD customers can receive cash back of up to 50,000 baht ($1,382) on their next purchase of the ATTO 3 or BYD Seals models from July 18 to the end of August, Rever said in a Facebook post.

But an investigation by Thailand's Consumer Protection Board will continue, with new complaints coming in, now more than 100, said Passakorn Thapmongkol, a senior official at the agency. "We have another meeting next week to so they can explain further," Passakorn told Reuters, outlining discussions between the agency and Rever.

Rever, which has a network of over 100 dealerships across Thailand, in a statement said the cashback campaign was a promotion for old customers and not part of a compensation programme.

BYD holds a 20% stake in Rever Automotive.

The issue came onto the government's radar this month after Rever made sharp price cuts to its cars, as much as 340,000 baht ($9,400) for some models, triggering complaints from previous buyers of BYD EVs.

Prime Minister Srettha Thavisin asked BYD chief executive officer Wang Chuanfu to ensure Thai consumers were protected, to which Mr. Wang assured the premier its future pricing would be appropriate.

Shenzhen-list BYD is part of a wave of Chinese automakers investing more than $1.44 billion to set up new EV factories in Thailand, helped by government subsidies and tax incentives.

Pledged investments from other makers include Changan Auto with $285 million.

The government aims to convert 30% of its 2.5-million vehicle production capacity to be EVs by 2030. — ***Reuters***

Millionaires threaten to desert Britain over tax

LONDON — For ultra-wealthy entrepreneur Bassim Haidar, living in London has become an expensive indulgence he can no longer justify.

While new British Prime Minister Keir Starmer settles into No. 10 Downing St., Mr. Haidar is searching for homes in Greece and Monaco, because a proposed inheritance tax revamp will make Britain a 'no go' zone for the rich, he says.

Mr. Starmer says the overhaul will make Britain's tax system fairer and raise funds for stretched public services.

While supportive of some reform, Mr. Haidar says the proposed changes could harm the economy if international business owners choose to quit Britain, or avoid moving here, undermining its reputation as an incubator for fledgling firms.

The recently ousted Conservative government outlined surprise plans in March to phase out Britain's centuries-old 'non dom' tax regime, which spares wealthy individuals from paying tax on income earned overseas. But in the run-up to its July 4 election win, Mr. Starmer's left-leaning Labor party pledged to also scrap permanent reliefs 'non doms' born outside the United Kingdom (UK) could obtain if they put non-UK assets into a trust within 15 years of moving to Britain.

Now the dust has settled on Labor's return to power, Mr. Haidar wants Mr. Starmer and finance minister Rachel Reeves to rethink these plans, and to replace them with a new six-figure annual tax on people with net worth in excess of £5 million ($6.52 million).

Mr. Haidar estimates a £150,000 levy could raise an additional 4 billion pounds a year for the government, boosting state coffers without triggering an exodus of the non-dom wealthy.

Organizations like Patriotic Millionaires UK are also campaigning to introduce annual wealth levies on the super-rich.

Setting a 2% tax at a threshold of 10 million pounds a year would impact around 20,000 people, but raise up to £24 billion a year, the group estimates.

NUMBER CRUNCHING

Investment firms, wealth managers and private bankers who provide financial services to around 70,000 UK-based individuals with 'non-dom' status are on high alert for when the historic tax overhaul might begin.

The Labor government reckons it can raise an extra 5 billion pounds a year by tackling domestic tax avoidance. Assessing how much more could be raised by changing tax perks on offshore trusts is more difficult.

Inheritance tax raised £2.1 billion between April and June, £83 million more than the same period a year earlier, UK tax authority data published this week showed.

Britain has around 37,000 non-doms who opt to be taxed on a 'remittance basis.' This means UK taxes are not charged on their foreign income or capital gains unless they are remitted to the UK.

According to the IFS, those people collectively paid about £6 billion in UK income tax, National Insurance contributions and capital gains tax in 2020–21.

Threats by the wealthy to quit unfriendly tax regimes are far from new, and some wealth advisers say London's status as a culturally diverse city with world-class schools will ultimately persuade the well-heeled to acquiesce.

But a desire to shield his family wealth for future generations far outweighed the inconvenience of moving to another country, Mr. Haidar said.

Britain is likely to lose nearly one in six of its US dollar millionaires by 2028, according to the UBS Global Wealth Report for 2024 published earlier this month.

The Swiss bank cited the high base number of super-rich in the UK, the implications of the Russia-Ukraine war and the lesser effect of Britain's decision to abolish its 'non dom' tax perks as reasons for the sharp fall.

UBS forecast the number of dollar millionaires in Britain would fall by 17% to around 2.5 million in 2028.

In contrast, the total of dollar millionaires in the United States and in France was forecast to rise by 16% by 2028, in Germany by 14%, in Spain by 12% and in Italy by 9%. — ***Reuters***

MPIC's mWell app goes global

METRO PACIFIC Investments Corp. (MPIC) has announced the global expansion of its health and wellness mega app, mWell, to extend healthcare services to overseas Filipino workers (OFWs) and their families.

In a statement on July 17, MPIC said that the expansion ensures OFWs have access to healthcare services regardless of their location.

The app is now used in 140 countries with over 84,000 users from South America, Africa, Asia, North America, Oceania, and Europe, the company said.

"We are here to help our OFWs conveniently consult online with Filipino doctors who understand their needs and can provide the medical advice they need right away," said June Cheryl "Chaye" Cabal-Revilla, chief finance, risk, and sustainability officer of MPIC and president and chief executive officer (CEO) of mWell.

MPIC noted that paying for mWell Pins through Ding, an international mobile recharge service provider, is now available.

OFWs can book video consultations, see doctors, and pay for services within the app.

Ding allows users to send prepaid value to a mobile phone globally, making it easy for migrant workers to send health passes to their families in the Philippines.

The mWell Healthsavers Plan 499 covers one checkup, while Plan 899 includes two doctor consultations.

MPIC also said that the mWell and PLDT Global partnership with SandBox Middle East allows access to health passes in the United Arab Emirates.

The health passes are sold at SandBox's *sari-sari* convenience stores in Al Karama and Port Saeed, Dubai. A flagship store is opening in Burjman this August, featuring an mWell Kiosk for teleconsultations.

"SandBox Middle East, through its partnership with PLDT Global, is proud to be a selected partner of mWell in providing Filipino expats in the United Arab Emirates with excellent and affordable healthcare from home," said SandBox Middle East CEO Lito German.

"This is another significant milestone in our quest to empower Overseas Filipino Workers by providing easy access to home-based products and services through our BayaDIRECT platform," he added.

Additionally, a partnership with the Overseas Workers Welfare Administration and Tindahan ni Bossing (TINBO), PLDT Global's online marketplace for overseas Filipinos, has been established to support OFWs as they leave the country.

"Our partnership with mWell reflects PLDT Global's commitment to empowering overseas Filipinos through TINBO by providing access to essential services," said Albert V. Villa-Real, President and CEO of PLDT Global. — **Aubrey Rose A. Inosante**

GT Capital receives 4 Alpha Southeast Asia awards

THE TY Family's GT Capital Holdings, Inc. received four major awards at the 14th Institutional Investor Corporate Awards of Hong Kong-based magazine *Alpha Southeast Asia*, held on July 9 in Singapore.

The awards recognized the company's investor relations and corporate social responsibility efforts.

GT Capital was cited for having the best annual report in the Philippines for its 2023 integrated report, according to an e-mailed statement.

The conglomerate was also recognized as one of the top Philippine companies with the most consistent dividend policy, ranking second among nominees in this category.

GT Capital's investor relations initiatives secured the third spot in the most organized investor relations category. The conglomerate also placed third in the most strategic corporate social responsibility category.

Nominees for the Institutional Investor Corporate Awards were ranked based on the results of the 14th annual institutional investor poll. This poll sought to identify the region's top corporates based on their financial management, corporate governance, integrated reporting, corporate social responsibility, and investor relations.

Alpha Southeast Asia is the first and only institutional investment magazine focusing on Southeast Asia.

GT Capital is a listed conglomerate with business interests in banking, automotive assembly, importation, dealership, and financing, property development, life and general insurance, and infrastructure.

Its core companies include Metropolitan Bank & Trust Co., Toyota Motor Philippines Corp., Federal Land, Inc., Philippine AXA Life Insurance Corp., and Metro Pacific Investments Corp. (MPIC). — **Revin Mikhael D. Ochave**

The Medical City and DOT launch groundbreaking partnership to position PH as global medical tourism destination

The Medical City (TMC), a premier healthcare brand, and the Department of Tourism (DOT) have officially entered into a historic partnership aimed at positioning the Philippines as a top destination for health and wellness. The partnership was formalized during the Memorandum of Agreement (MOA) signing on July 17 at Grand Hyatt Manila.

Since 2008, TMC has been a DOT-accredited hospital, consistently maintaining this status and underscoring its long-term commitment to excellence in medical tourism. With a network of hospitals serving close to 20,000 international patients yearly, TMC stands as a leader in the field.

The DOT identifies TMC as a standout partner in its pursuit of providing a holistic medical tourism program to international patients. To date, TMC serves patients from countries such as the mainland USA, Guam, Korea, China, Japan, the Kingdom of Saudi Arabia, the United Arab Emirates, the United Kingdom, and Germany. The MOA signing marked the first public-private collaboration of its kind, setting a new standard for the Philippines' medical sector.

The Medical City and the Department of Tourism signed a memorandum of agreement to position the Philippines as the top global medical tourism destination. In the photo seated from the left, DOT Secretary Christina Garcia Frasco and The Medical City President and CEO, Dr. Eugenio Jose F. Ramos. Standing from the left, The Medical City Chairman of the Board, Mr. Jose Xavier "Eckie" B. Gonzales, and The Medical City Chief Commercial Officer, Dr. Christian G. Delos Reyes.

COMPREHENSIVE SERVICES AND PERSONALIZED CARE FOR MEDICAL TOURISTS

TMC Ortigas, a Joint Commission International (JCI)-approved facility, is a trusted hospital for international patients in the Philippines. It offers advanced medical technology and personalized care. It's a preferred destination for medical tourists seeking high-quality healthcare, with easily accessible locations nationwide and competitive pricing, making it a cost-effective option.

TMC's International Patient Concierge Services streamline all international patient transactions, providing seamless medical travel coordination, accommodation assistance, and airport meet-and-greet services for medical and non-medical travelers. Recognizing the significance of international patient care, TMC has dedicated Korean and Japanese helpdesks to offer specialized support, ensuring minimal language barriers for a smooth healthcare experience.

DISCOVER YOUR WELLNESS SERIES

At the same event, DOT and TMC launched the *'Discover Your Wellness'* series as part of *'Love the Philippines'* campaign, under its medical tourism arm. The project will highlight the unique blend of world-class healthcare, breathtaking tourist attractions, and vibrant cultural experiences available in the country.

TMC strongly emphasizes wellness, aligning with the DOT's vision to promote holistic wellness experiences in the Philippines. The collaboration highlights the country's diverse wellness offerings with TMC's facilities and personalized healthcare services.

Discover Your Wellness series will be available on TMC's digital channels and DOT-identified platforms, ensuring it reaches a wide audience of potential medical tourists who seek high-quality healthcare at an affordable cost. More details will about the series will be posted soon on TMC's Facebook Page.

MAKING THE PHILIPPINES AS A CHOICE MEDICAL TOURISM DESTINATION

"The Medical City is honored to collaborate with the DOT to showcase the Philippines as a top global medical tourism destination," stated Dr. Eugenio Jose F. Ramos, President and CEO of The Medical City. "This partnership underscores our vision to delivering world-class healthcare accessible to a wider audience, blending exceptional medical care with the unique offerings of the Philippines."

DOT Secretary Christina Garcia Frasco also highlighted the partnership's importance: "We are blessed to be partnering with The Medical City in our government's efforts to expand the medical tourism portfolio of the country. Together, we will emphasize advantages of choosing the Philippines for medical care where patients can expect world-class healthcare services, complimented by our hospitality and beautiful landscapes."

The collaboration with DOT highlights TMC's distinction in the healthcare sector. TMC remains committed to lead the way by providing a holistic patient experience by integrating advanced medical technologies, comprehensive care programs, and a patient-centric approach, ensuring each service meets the needs and expectations of every patient.