

#### A NEWSLETTER FOR BEAUTY BUSINESS EXECUTIVES

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This is your newsletter. **Beauty Industry Report** welcomes your feedback!
Tell us how we can help you.

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CEO, Beauty Industry Report



hange, change and more change. This month, we report on JD Beauty's (Wet Brush) acquisition of Bio Ionic and the merger between Scruples and Basim

Shami's Beauty Elite Group (BlowPro, Fuel Haircare). Regis sold its mall-based salons. Colorball is a new innovation that has the potential to disrupt pro and home color, while home hair color dynamo Madison Reed just raised \$25 million in funding, led by media conglomerate Comcast Ventures, to open hair color bars across the country. After tests in New York City and San Francisco, CEO/Founder Amy Errett says she's opening 25 more units "all over the place." She adds that business at her four-year-old company is doubling on an annual basis and they are running a beta test on men's color.

Note: To keep you on top of the rapid change, we post news on our Facebook page all week. I invite you to join the conversation.

All my best,

### guest columnist

# What's next? Build an experience map!

By Bart Foreman

oo many beauty businesses continue to do business in the Age of Yesterday. Chris Ferguson wrote in MarketingProfs, "Change is notoriously difficult and asking your entire department or organization to modify the way they think and work is not going to be met with a resounding 'yes."

Chris invites us to build an experience map, because before team members can change their behaviors, they need to understand how their current actions affect the rest of the business—and especially the end-user. He makes a very important, radical point, "Only the customer sees the complexity of your entire business." Each department in your business might be doing a fantastic job, but together they fail at influencing and capturing the next sale."

An experience map builds a framework that is focused on understanding the customer experience—from the customer's point-of-view. Think of the daily journey every customer has with your products or services—and how that journey is directly impacted by competitors and external market forces. Every touchpoint is linked and impacts each other. In the digital age, the impact is immense. That is why the journey needs to be mapped carefully. So, what's next?

- Marketing is being tasked to grow sales. Coca-Cola recently eliminated its chief marketing officer and created a new position —a chief growth officer. His job is to reverse four years of declining sales of flagship brands. But that's the wrong focus. The focus must be on the customer.
- ▶ The customer journey is fragile, emotional and often volatile with multiple forces competing for share of wallet. That's true for both B2B relationships and end-users' experiences.

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### guest columnist

Guest column cont. from page 1

- It's a very personal journey. Today's hyper-informed buyers and consumers expect personalized engagements and experiences to be delivered across the entire spectrum of human and digital interactions.
- An experience map allows every team member in every department to examine its impact on the journey ecosystem.
- Adjusting how your brand engages with the customer's journey ecosystem might substantially increase sales performance, resulting in sales lifts, retention, improvements in delivery and reduced costs through greater efficiencies.

As you challenge your team to have a sense of exploration and encourage their willingness to push boundaries to reinvent the company, every change you make might have a direct impact on another part of the experience map. Beware of individual disruptions and keep your customers' journey experiences at the heart of your planning.

Bart Foreman is managing partner of EndGame Marketing Solutions LLP, a marketing consultancy created to help clients navigate the changing dynamics of doing business in today's highly charged digital age,



because "business as usual" is a journey map to failure. Bart has delivered creative marketing solutions to all segments of the beauty industry and specialty retailers for over 30 years. He is a pioneer in the direct

marketing arena and co-founded the CRM Council of the Direct Marketing Association.

BIR invites you to become a Guest Columnist and give us your take on a relevant topic. For consideration, send your thoughts in 475 words, plus a one-paragraph bio and your headshot no smaller than 300 dpi at 5 x 7 inches to liz@bironline.com. We will edit your column for style and space.

### watch list







#### ARC Industries (The Applied Research Center of New York College of Health

**Professions)** plans to disrupt both the home and professional hair color markets with the introduction of **Colorball.** Under U.S. Patent No. 9,750,325, this hair color innovation can provide permanent or semi-permanent color, highlighting and streaking with the touch of a button and a stroke of the easy-to-control disposable tube for precise application.



Prolific inventor Donald Spector, honorary chair of New York College, developed Colorball. The Colorball tube turns mixing the colorant and the developer into a simple one-step process. When the button is depressed, it allows the inner tubes to flow onto the rollerball, mixing the dye and developer.

Colorball can be the size of a pen for

accurate placement of highlights or wider with a larger rollerball for instant root touchups. It can also be used to color beards and mustaches. The patent also covers color brushes and other applicators.

"Colorball will be for hair color what one-click was for Amazon," says **Lisa Pamintuan**, president of New York College. "There is already tremendous worldwide interest." Colorball has been prototyped and is expected to be in market test within 18 months. Visit nycollege.edu.

Cosmoprof North America has collaborated with *New Beauty* magazine to create a limited-edition beauty box of products from select special-area exhibitors from the 2017 show. These innovative indie beauty brands range from masstige to prestige beauty from all over the globe. This consumer-focused campaign takes exhibitors' products from the show floor to the front door of beauty aficionados.

"This is the second time we are collaborating on a consumer-facing box, and we chose to work with *New Beauty* because it's a luxury brand with a discerning and highly influential reader base," says **Daniela Ciocan,** CPNA marketing director. "We are excited to offer our exhibitors access to such a powerful network."

Adds Steffanie Attenberg, New Beauty vice president/group publisher, "We are always seeking cool collaborations that help keep our readers in tune with the newest and best in beauty. CPNA is widely recognized for discovering trend-setting beauty brands and putting them on the map. In the end, it's a win-win for the brands and our readers"

The 10 products featured include Kavella Hair Mask, MyChelle Dermaceuticals Ultra Hyaluronic Hydrating Serum, Naked Princess Fragrance Towelettes, Nature Nut Shampoo, Ouiglo Facial Mask, Prismologie Rose Quartz & Rose Hand & Cuticle Cream & Sapphire & Oud Foot Cream, Sonage Patagonia Berry Stem Cell Mask, Supermood Eye Serum, VenEffect Anti-Aging Lip Treatment and Vita Liberata Luxury Tan Self Tanning Gradual Lotion.

Valued close to \$200, the limited-edition box sells for \$29.95. To purchase, visit newbeauty.com. CPNA returns on July 29-31, 2018. Visit cosmoprofnorthamerica.com.



CPNA & New Beauty have collaborated on this beauty box.



In his weekly newsletter focused on customer service, John DiJulius recently shared inspiring take-aways that Starbucks



John Dijulius III invites you to his Secret Service Summit, October 26-27 in Cleveland. BIR will be there! Executive Chairman
Howard Schultz
delivered in a
commencement address
to graduates at Arizona
State University.

- Ubuntu means "I am because of you."
- When Howard was seven years old, he had a defining moment in his life. He came home from school and saw his father on a couch with a

cast from his hip to his ankle. "I saw my parents go through hopelessness and despair at the age of seven. And those scars, that shame, that is with me even today," he said.

- But from day one, Howard wanted to build the kind of company his father never had a chance to work for—a company that honors and respects the dignity of work and the dignity of all men and all women.
- Every business, every organization, even every family, must be true to its values and reason for being. "Our core purpose and reason for being then and now has always been to achieve the fragile balance between profit and humanity," said Howard.
- The rules of engagement for business and business leaders have changed. "We must do more for our people and the communities we serve," added Howard. "And most importantly, not every business decision can be an economic one. Success is not an entitlement. It has to be earned every day through the lens of humility."
- Give more than you receive and I promise you, it will come back to you in ways you can't possibly imagine.
- Dream big, and then dream bigger—a more innovative, more inclusive dream.

Register today for John's **Secret Service Summit,** America's No. 1 Customer Service Conference, October 26-27, in Cleveland, at secretservicesummit.com. Reach John at john@thedijuliusgroup.com.

Powerhouses Harlan Kirschner and Deborah Carver have teamed up to create the 2017 American Influencer Awards for beauty. The American Influencer Association, in

collaboration with *Beauty LaunchPad* magazine and **The Kirschner Group**, will bring together leading influencers in beauty for an awards show on Saturday, November 18, at The Novo at LA Live in Los Angeles.

Co-hosting the event are **Kandee Johnson** (@kandeejohnson), with 1.6 million Instagram followers, and **Patrick Starr** (@patrickstarr), with 3.5 million followers. **Larisa Love** (@larisadoll), with 509,000 Instagram followers, will host the red carpet festivities.

Fan voting began on October 1, 2017 for influencers in 20 categories like Influential Stylist of the Year, Best Celebrity Makeup Artist of the Year, Nail Artist of the Year, Best Brand Started by an Influencer and others.

Sponsors include Ardell, Benefit
Cosmetics, Beauty LaunchPad, BH
Cosmetics, Biolage, Boxycharm, Celeb
Luxury, China Glaze, Cosmo Hair by
Cosmopolitan, Clubman, CosmoProf
Beauty, Grande Cosmetics, Her.Boutique,
IT Cosmetics, the Salon by InStyle inside
JCPenney, John Paul Mitchell Systems,
Keratin Complex, Morphe, Pravana,
Professional Beauty (Amazon),
SalonCentric, Sexy Hair, The Kirschner
Group, Truss Professional and Wet Brush.

**Christopher Crellin,** CEO and founder of the American Influencer Association, says, "Influencer marketing is the No. 1 way to grow your brand, as consumers trust influencers more than any advertisement or traditional endorsement."

Adds Deborah Carver, CEO/publisher of Beauty Launchpad, "Hairstylist, nail tech and makeup influencers not only drive consumer interest and engagement in beauty, but they inspire professionals to raise their games, too. We are pleased to be able to bring together the elite of the professional and consumer beauty influencers under one roof."



Comments Harlan Kirschner, CEO of The Kirschner Group, Inc., "We are seeing the next generation of marketing develop for companies and effective dissemination of

information to consumers through social media. This social media and influencer era will allow many new companies to grow and compete, reforming our industry." Purchase tickets and learn more at aiaawards.com.

## Sally Beauty Holdings has partnered with Amazon Prime Now to test a two-hour delivery model in the Dallas market.

"There has historically been very little overlap between Amazon Prime Now and Sally's existing customer bases," says **Chris Brickman**, CEO of Sally Beauty. "We hope to attract new customers with this model. While the program is still undergoing testing, we plan to work with Amazon to introduce Prime Now to other metropolitan cities if it proves effective." Visit sallybeautyholdings.com.

# trends

Consumers are feeling cautiously optimistic about the economy and analysts believe that positive sentiment will translate into an opportunity for retailers this holiday season, according to Women's Marketing.

Consumers are now digital-first shoppers, so it's essential that you have a seamless omnichannel strategy. Some findings:

• 86% of consumers plan to shop online during the holidays and 68% will shop on Amazon. After that, 64% shop mass merchandisers in-store with 37% shopping mass merchandisers online; 43% shop department stores in-store with 24% shopping them online.

#### The Beauty Industry Report Visit bironline.com

News cont. from page 3

- 36% of Americans begin their shopping before Thanksgiving. Another 8% start on Thanksgiving. 19% start Black Friday, with 5% starting Cyber Monday.
- 45% of Millennials look at social media for gift inspiration. 24% research online and then shop in-store.
- 25% of consumers admit they make impulse purchases during the holidays.
- 19% take advantage of holiday discounts to make big-ticket purchases for themselves.

Do you have a retail holiday marketing strategy in place? To learn more about creating one, visit womensmarketing.com.

When it comes to hair care, Millennials have distinct product, style and shopping preferences, according to the 2017 Cloud 10 Millennial Hair Care Report. The survey, commissioned by Cloud 10 Hair Care, polled 1,000 women, ages 18 to 35, from across the country at all income levels. It revealed:

- 59% wish they had someone else's hair, or are only happy with their hair sometimes.
- 77% prefer shampoos and conditioners customized for their hair care needs.
- Only 15% of Millennials wash their hair daily. Most wash it 2 to 3 times per week.
- 88% say scent plays a factor in purchasing shampoos and conditioners.
- 22% of Millennials say they would never use a shampoo or conditioner that contains sulfates or parabens, while 34% have no idea what sulfates and parabens are.
- Stronger hair topped Millennials' hair care goals. Reducing dryness and taming frizz followed in importance.
- Millennials shop everywhere for hair care, with nearly a quarter shopping online.

"Customization is a key trend in today's retail landscape, and Cloud 10 Hair Care believes that shampoo and conditioner should be no exception," says **Joe Segel,** co-founder and co-CEO of **ProfilePro.** Joe is also the founder of **QVC** and is known as a serial entrepreneur who built his reputation on improving the customer experience.

Joe's co-founder is **Jodi Dery**, owner of **Cloud 10 Salons** in Florida. The ProfilePro family of brands includes Cloud 10 Hair Care and **HairRx Advanced Hair Care**. Visit cloud10beauty.com.

### hook ups

### JD Beauty Group, the parent company of WetBrush, has acquired the Bio Ionic brand

of professional electrical beauty appliances. Bio Ionic will remain a global, professional-only brand under the JD Beauty umbrella. This acquisition further enhances JD Beauty's mission to offer a well-rounded product portfolio of hair brushes, electrical appliances, and liquids. This acquisition was completed in partnership with **Topspin Partners**, the majority owner of JD Beauty, and **Deerpath Capital Management**, who provided financing for the transaction.



We will work closely with our professional partners to bring the best in product innovation, inventory management and new exciting marketing opportunities domestically and internationally."

Fernando, founder of Bio Ionic, adds, "We are so pleased to pass the baton to JD Beauty Group, whose support signifies an exciting chapter in our company's history. Their invaluable resources and insight will undoubtedly grow the Bio Ionic name in the professional beauty industry."

Fernando, **Tom Gebhart, Joel Calfee** and others will remain on board as an integral part of the business during the transition. Eventually, the company will move to the East Coast to the JD Beauty offices in Hauppauge, NY. Visit jdbeauty.com, topspinpartners.com, wetbrush.com and bioionic.com.

### rep rap



from left: Gary Üdell, Jamie DeMao, Dan Shorts, Glenn Udell and Gerry Udell are teaming up to bring Church & Dwight brands to the Northeast.

Church & Dwight has appointed Gerry Udell, Inc. as its sales agent in the Northeast for the professional beauty market. The company's

### portfolio of professional brands includes **Toppik, Xfusion, Batiste** and **Viviscal.**

**Gerry Udell** says, "Church & Dwight is in a position to become a key factor in the professional industry with room for major growth. We are proud to be associated with such a well-known and prestigious company." The Udell organization will work closely with **Jamie DeMao. Dan Shorts** will oversee U.S. professional sales for Church & Dwight.

Gerry Udell also recently launched **Bio Creative Labs' Essential Oil** line, which includes six single essential oils, four essential oil roll-on blends, a fragrance-free body lotion and an ultrasonic mist diffuser. They can be

purchased open stock or in a beautiful counter display. Gerry says, "These essential oils appeal

to all



from left: Gerry Udell, BCL's Cliff Heiser and Jason Freeman, Gary Udell and Glenn Udell.

types of pro beauty distribution, including the full-service distributor, professional store, and nail, skin care, and spa customers." Reach Gerry at gerry@gerryudell.com. Visit gerryudell.com.



### How to craft claims that sell beauty products By Denise Herich

or beauty and personal care brands, consumer testing is a vital part of building a successful product that deeply resonates with consumers, and that delivers all the benefits and results they are seeking. The marketing claims stemming from these tests can help make or break a product line—in addition to providing the important proof that both men and women seek before contemplating the purchase of a beauty or personal care product.

Beauty or Personal Care Product Testing (BPTs) involves sending either a prototype or a product that is conditionally approved for in-market commercialization and has undergone appropriate safety and stability testing to a panel of targeted



Denise Herich, cofounder and managing partner of The Benchmarking Company

consumers. BPTs are also appropriate tests to send fully-branded products for review, even if they've been on the market for some time.

This highly targeted panel uses the product according to specific instructions for a given time period, and then assesses their experiences with the product at various intervals throughout the trial. This type of testing reveals emotional connections to products and brands—as well as efficacy claims—which are valuable tools for any marketing team.

BPTs can garner powerful consumer claims to support sell-in and sell-through. A solid methodology for conducting these studies ensures your claims are powerful, as well as compliant with advertising and marketing regulations for cosmetics and personal care products. Claims studies conducted by an independent third-party research firm offer consumers proof, driving the beauty and personal care consumers to buy and become loyal product evangelists.

BPTs are also important for another reason—avoiding potential multi-million dollar mistakes. For newer brands just getting ready

to enter the marketplace and for established brands launching a new sku, insights derived from these tests can help stave off expensive formula choices that might prevent products from wowing consumes. BPTs can also shed light on why a once-hot product has cooled, and how to reignite the consumer love.

Here are five major points that we discussed in our session at Cosmoprof North America about beauty product testing, otherwise known as consumer in-home use testing or consumer perception testing, and why this type of testing matters to your brand.

1. Proof of efficacy is a mandatory step in a consumer's journey from information gathering to buying. Both men and women look for PROOF of efficacy in the form of claims and product reviews before making a high-cost beauty or personal care purchase. 91% of women and 89% of men find consumer claims important when buying high-cost items. Consumer claims are the proof consumers are seeking—and their permission to buy.

2. Properly-worded claims are important for regulatory compliance and risk mitigation. The biggest, if not the most important reason to conduct a beauty product test, is to mitigate the legal and regulatory issues of improperly worded claims. More and more, brands are coming under fire for claiming benefits of their products, their ingredients and their formulas. Those claims are drawing scrutiny—and fines—from the FDA and FTC. In fact, there was a 256% increase in the number of federal warning letters issued to cosmetics companies in 2016 over 2015 for improperly worded claims.

Cosmetic products need to be worded as such. If claims sound like a drug, a brand is opening itself to millions of dollars in FDA and FTC fines, as well as potential class-action lawsuits. Know how to properly word your claims to avoid unwanted regulatory attention.

3. Unlike clinical studies, which focus on scientific, quantifiable data, BPTs dig down into the emotional side of the equation, yielding claims that not only prove from the consumer standpoint that a product works, but also how the product affects her life and

enhances her well-being. **Consumer claims** are emotional—and emotional claims SELL products. Consumers gravitate toward consumer claims more than clinical claims in marketing because they are emotional. How a product makes women like her look and feel is of vital importance to her acceptance of a product.

4. Claims-gathering methodology is critical. Make sure your brand is using an independent, third-party research firm with a rock-solid methodology to garner claims.

Retailers from Sephora, HSN, CVS to QVC and others demand that consumer claims are conducted with the utmost integrity, often as a prerequisite for entry.

5. In addition to giving you feedback on technical elements of your products (color, scent, overall efficacy), BPTs can also be designed to create data around price points, purchase intent, "1 to 5" star rating, happiness and effectiveness scales, whether the tester would recommend the product to a friend and the all-important open-ended testimonials when the test is over. The resulting information can then be contextualized to convey the benefits of your products in a way that matters most to consumers: what other consumers are saying and thinking.

Use your claims everywhere! Leverage your claims to drive consumer demand in social media, your website, point-of-sale marketing, on-air with home shopping networks, on packaging and in all forms of advertising. Your great consumer claims will help sell your products. Use them!

Based in sun-seared San Diego, Denise
Herich is co-founder and managing partner at
The Benchmarking Company. Her company
provides marketing and strategy professionals
in the beauty and personal care industries with
need-to-know information about their
customers and prospects through custom
consumer research studies, focus groups, its
annual PinkReport and consumer beauty
product testing for marketing claims. For more
information about available services, visit
benchmarkingcompany.com.

### **Smart Step offers Premium Standing Solutions**

ats are so important to the daily comfort and health of stylists, barbers, estheticians, massage therapists and even beauty store associates, who are on their feet all day. Unfortunately, traditional mats are often unsightly, tattered and stained, with little antifatigue value. Luckily, that's starting to change. With a greater focus on ergonomics than ever before, beauty professionals are realizing that cheap mats won't keep them comfortable all day and are seeking Premium Standing

Enter Smart
Step Salon and
Spa, the company
that is re-defining
how the beauty
industry looks at
the standard black
mat. Smart Step
has turned mats
into fashionable
solutions that not
only are critical to
the health and
comfort of the
service provider,



"Healthy living and healthy standing can often dictate the length of a stylist's or barber's career," says Daniel Bouzide, founder and CEO of Smart Step.

but are an integral part of salons' decor. **Beauty Industry Report** recently checked in with **Daniel Bouzide**, founder and CEO, to learn how Smart Step is redefining how salons think of beauty mats.

### BIR: Welcome, Daniel. Why is the mat so important to today's salon environment?

**DB:** Healthy standing has always been important to salons, spas and barbershops. Today, the awareness is much more prevalent. Beauty professionals are on their feet all day caring for others. Smart Step helps them care for themselves—and we make it fashionable!

Since 1996, we have engineered, designed and produced premium, anti-fatigue mats for a variety of industries, including housewares, hospitality and industrial, as well in the medical, chiropractic, veterinary and fitness categories. Smart Step has also been very active in the beauty industry for 12 years, working primarily through a master distributor.

No, we did not invent mats, but we certainly have perfected the premium mat category. We have tremendous experience with polyurethanes, densities and compositions. Our Smart Step Mats interact with the body, suspending body weight and effectively taking impact off the back, hips, knees and feet. At the end of the day, our mats provide preventative injury remedies and healing qualities for the industry.

### BIR: How have you turned the plain black mat into a fashionable salon accessory?

**DB:** Great question! About two years ago, we reviewed our eight different divisions. While the beauty industry has always been close to my heart, after looking at the gorgeous mats we produce for the Housewares and Hospitality industries with tremendous success, I simply shook my head and asked, "Why does the most creative industry—beauty—have the ugliest mats?"

Over the next year, we took our most popular mat patterns and colors sold through high-end retailers, such as Frontgate and

Williams-Sonoma, and created the beauty shapes and designs in these decorative styles. Those became the **Smart Step Designer Series.** 

To accompany our Elite Series—our version of the black mat—we offer the attractive Belle pattern in four colors—silver leaf, copper leaf, light antique and black onyx. For more contemporary salons, granite copper and

granite steel are also available.

All Smart Step Mats are three-quarter inches of pure, one-piece polyurethane with a protective clear coat finish. Of course, the granites are available in the increasingly popular Infinity PuzzlePiece, as well.

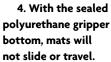
All in all, we have produced an effective standing solution that can accent and work with salon, spa and barbershop decors.

### BIR: That's a great fashion story. What about functionality?

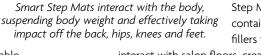
**DB:** For the record, we never sell our mats based on appearance. The No. 1 vision of all brands is "A Healthy Work Environment." Our mats must function and last. Oh, and by the way, they're gorgeous.

By having 100% control of our manufacturing here in the United States, we touch every mat produced. That means we never compromise comfort, quality or durability. By using expensive, extremely effective, pure polyurethane, we can guarantee in writing, for at least five years the five biggest concerns of the salon industry:

- **1. Smart Step Mats will never compress or squish down.** They stay comfortable from day one to many years after the purchase.
- **2. Smart Step Mats always lie completely flat.** The edges will never roll up or curl, which can create dangerous trip hazards.
  - 3. Because of the one-piece technology, the polyurethane molecules are cross-linked and thermoset, so the mats will never separate, bubble or delaminate.



Furthermore, Smart Step Mats do not contain plasticizers or fillers that often



interact with salon floors, creating a chemical reaction that adheres the mat to the floor.

5. Smart Step Mats have a polyurethane protective clear coat. As a result, hair is easy to sweep, foot traffic is minimal and the clear coat acts as a barrier to hair color.



### BIR: Tell me about your company's Midwest heritage.

**DB:** Our offices are based in Troy, Michigan, just outside of Detroit, and our manufacturing and shipping are out of St. Louis. Including all eight divisions, we have about 100 sales reps across the country.

Our business really exploded during the toughest times here in Michigan. I believe much of that success was because we believed in ourselves, our visions and that a good, Made-in-America product line would prevail. While Detroit is making an amazing comeback, the joke eight years ago was that Smart Step and Kid

Rock were the only two businesses in town that were hiring.

#### BIR: Are your mats non-toxic?

**DB:** You bet! Smart Step mats meet all stringent U.S. regulations. They do not contain latex, PVC, plasticizers, toxins, BPA or other hazardous fillers often found in imports.

#### BIR: How much do your mats cost?

**DB:** Mats in the Elite Series, our premium black mat category, range from \$129.00 to \$219.00. The Designer Series Mats range from \$139.00 to \$279.00. When you consider the quality, longevity, meaningful warranty and fashion attributes, salon owners understand the value from the reduced replacement costs.

#### BIR: What is your story?

**DB:** About 25 years ago, I entered the beauty business as a manufacturers' rep and then became a rep principal. When we started representing beauty mats with tremendous success, I believed the premium category could succeed in other industries, as well.

Seeing the opportunity, I formed a partnership with a polyurethane manufacturer that has a successful 50-year history. It was very clear that the beauty industry totally embraced the premium mat category, and Smart Step worked with a master distributor for the next 10 years to answer the call. That allowed us to further develop and perfect the mat products and heavily concentrate on many other industries that also saw the need for Premium Anti-Fatigue Mats.



The Smart Step Designer Series features high quality and functional mats in a variety of decorative patterns and colors.

I could not be happier or more grateful, as we have built an amazing team, and have enjoyed repeated success stories.

#### BIR: How do you market your mats?

**DB:** We sell only through authorized distributors. Our goal is to make selling Premium Standing Solutions as exciting and as

easy as possible. For example:

• We support our distributors with high-quality sales tools. Every distributor, salon consultant and distributor store receives a mat sample large enough to put a foot on, to demonstrate the one-piece construction and other attributes. We also provide color swatches of every design and pattern, full-color catalogs and more. Stores receive full-size Designer Series demonstration mats that customers can stand

on to experience the difference first hand. Counter displays, take-away cards and other tools are also available through our portal.

• We provide tremendous customer service and marketing support. All product and lifestyle images are available in high-resolution formats at http://www.smartstep-gallery.com/, making it easy for distributors and reps to view and share the collection.



#### • Our Designer Series Mats are MAP (Minimum Advertised Price) protected. That means our distribution partners will never be undersold and their customers won't find Smart Step Designer Mats cheaper online.

#### We are dabbling with introducing Klogs Footwear to the salon industry in 2018.

Klogs are manufactured in St. Louis with a thinner version of the same proprietary polyurethane

technology that we use in all Smart Step Mats. Klogs Footwear is designed to be funky and cool, and provides comfort, support and longevity. It multiplies the comfort level of our mats, so stylists can stand all day in comfort.

#### BIR: Any final thoughts?

**DB:** Everyone on the Smart Step team is

exceptionally proud of the Premium Standing Solutions we produce and the services we provide. The "Healthy Way of Life" campaign is not going away, and we are on the forefront of this movement. We get hundreds of reviews, letters and testimonials every month on how we have positively impacted so many lives. Besides taking care of countless people in so many industries, we, as a company, strongly embrace keeping our manufacturing here in America, creating jobs and

supporting our U.S. economy.

That amazing culture is readily evident and contagious in both of our offices.

We believe that Smart Step Salon and Spa and the Designer Series will have the salon and barber industry rethinking how they see the beauty mat category.

Interested distributors are invited to contact Dro Bush, account manager, at 866-624-5700 or dro@smartstepflooring.com. Visit smartstepsalonandspa.com.



New Klogs Footwear features a thinner version of the same proprietary polyurethane technology used in Smart Step Mats.

### distributor dish

Alfaparf Milano increases its distribution territory with Premier Beauty, adding Michigan and Ohio to the Northbrook, IL-based distributorship's territory. Premier also represents the brand in Illinois and Indiana.

"We've built a really solid partnership with Alfaparf Milano over the past decade, and really stand behind the brand and its products," says Premier Beauty CEO **Steve Cohn.** "We're excited to be part of their development within the United States and look forward to being able to offer their high-performing color and retail products to all clients within the four states that we serve"

Having served the area for almost 30 years, Premier is a respected source for professional hair care products and salon-exclusive retail brands. The distributorship continues to aggressively develop its sales channels and boasts a strong digital presence through its e-commerce platform.

Says Marco Cé, general manager of Alfaparf Milano, "We look forward to meeting all of the professional hairstylists in Michigan and Ohio, to listening and understanding their needs and to providing them with professional, dedicated and customized support. Looking forward to a great future!" Visit premierbeautysupply.com.

Arrojo NYC has partnered with Beauty Craft to extend its product distribution and educational opportunities throughout the Midwest to salons in Minnesota, Illinois, Nebraska, Wisconsin, Colorado, and North and South Dakota.

"We are an independent manufacturer looking to expand our network," says **Nick Arrojo**, founder. "We sought a like-minded distribution partner that could bring Arrojo products to salon owners seeking a unique, inspirational brand with world-class



education. Beauty Craft is a heritage company in the beauty industry; their values foster a culture of innovation. As we look to build our network, we feel we've found our perfect fit."

"Nick has built his Ambassadors Program with high-performance, professional products, world-class education and by offering the special relationship only an independent brand can bring," says

Adam Wexler, president of Beauty

Craft. "As a family-owned business, we get that. We want to maintain that feeling of having a special relationship with a maverick brand, while giving Arrojo more exposure through the Mid-Western states."

For information on available territories, reach **Steven DeCola**, national sales director, at steven@arrojonyc.com. Visit arrojonyc.com.



from left: Max Wexler, Beauty Craft CEO; Adam Wexler, Beauty Craft President; Steven DeCola, Arrojo NYC National Sales Director, and Ian Wexler, Beauty Craft vice president, sign the contract that makes Beauty Craft Arrojo's first distribution partner.

### Andre Chiavelli has signed the following distributors for his business partners:

■ Nouvelle USA, importers of

Eslabondexx haircolor and lighteners, has added New York to Art of Business's territory in addition to New Jersey and Pennsylvania. In



addition, Selba Beauty Systems
will cover Northern California; Metro Beauty
Supply will rep the line in Houston; Life of
Riley Salon Supply will handle Louisiana and
Superior Salon Services will cover Michigan.
Visit nouvelleusa.com.

• At Lasio Inc., CEO
Nadine Ramos has
named Metro
Beauty Supply to
represent her sprayon,

non-formaldehyde smoothing systems and retail products

in Houston. Visit lasioinc.com.

■ Ian Murphy, president of Marula Oil, has tapped Tru Beauty Concepts to represent his brand in New York, New Jersey, Virginia, Delaware, Maryland, West Virginia and the District of Columbia.

Selba Salon Services will represent Marula in Northern California. Affinity Salon Services, Metro Beauty Supply and Beau Beauty will introduce the next-generation oils for hair and skin to salons in Florida, Houston and Georgia,



• Robert Sanzi Performance Organics has appointed Metro Beauty Supply and Beau Beauty to distribute its hair care in Houston and Georgia, respectively. Visit sanzibeauty.com

To discuss distribution opportunities, reach Andre at andrechiavelli@yahoo.com.



Life of Riley Salon Supply continues its amazing growth, opening a total of seven new stores in 2017. That includes the two newest stores. which are slated to open in Fort Collins, CO, and Fort Lauderdale, FL, in November. Four additional stores are scheduled to open in early 2018. Reach Kelly Huether, CEO, at kellyh@lifeofrileyss.com. Visit lifeofrileyss.com.

### honors

# Cosmoprof North America has been recognized by Trade Show Executive's prestigious Gold 100 Awards in the following categories:

- Winner of the Slam Dunk Award for Best New Idea for its Glamour Me project,
- Recognized as one of the Gold 100 largest trade shows in the country,
- Finalist for the Super Sticky Show Floor Award,
- Finalist for Marketing Genius Award for **Daniela Ciocan,** marketing director.

This award comes on the heels of several other recognitions. Most recently, Cosmoprof won the Grand Award from **UFI** in their 21st International Fair Poster Competition for its series of posters designed by photographer Olivero Toscani. In addition, CPNA was awarded by **Trade Show News Network** as one of the Top 25 Fastest Growing Shows – Net Square Footage. Visit cosmoprofnorthamerica.com.

### Denman's Chairman, John Rainey, recently received an Honorary Doctorate from

Queen's University, Belfast, for distinction to business and commerce. In 2014, John was awarded an MBE for outstanding contribution to economic development in Northern Ireland.

Upon receiving the doctorate, John said, "I am delighted to be receiving this honor from Queen's. As a university with a global



from left: Dr Heather Anderson, Queen's University, Belfast; Dr John Rainey, MBE; Professor James McElnay. Queen's University, Belfast; Stephen Prenter Queen's University, Belfast.

presence, it still remains close to its roots, engaging with local communities, businesses and students." In his typical understated and modest way, John regards this honorary degree as most unexpected and is thrilled to be honored. Visit denmanbrush.com.

Congratulations to Candy Shaw, CEO and founder of Sunlights Balayage, Inc., on two prestigious honors. First, the *Atlanta Business Chronicle* and Metro Atlanta Chamber of Commerce named Candy Atlanta's Small Business Person of the Year. She won in the Emerging Entrepreneur

She won in the Emerging Entrepreneur category for companies in business between three and seven years. Her company recently turned three years old.

Candy remarked, "I never went to college or even to beauty school. I succeeded based



Intercoiffure President Frank Gambuzza presents the Intercoiffure Educator of the Year Award to Candy Shaw.

my foundation on the bricks that others threw at me! I created Sunlights to help stylists, who are predominately women (85% in N.A.), earn a better living and live better lives. I also wanted to decrease the environmental impact that

on the sheer will

to survive. I built

and determination

hairdressing has on the planet by eliminating the use of aluminum foil in coloring hair."

Candy was also recently named **Educator** of the Year by Intercoiffure America/
Canada, the world's leading salon organization. The award is named for the legendary **Leo Passage**, the founder of modern beauty education and **Pivot Point International**.

"Of all the honors I've received, this by far means the most," says Candy. "My father, **Jamison Shaw,** a former world-champion competition hairdresser, looked to Leo as a mentor. Leo influenced an entire generation of hairdressers. Knowing what Leo and Pivot Point have done for the student throughout the years makes me proud to represent the educators of our industry. I'm proud to be one of them." Visit sunlightsbalayage.com.

Total Retail, the preeminent source for executives looking for the latest news and analysis on the retail industry, has named Barry Beck, founder and chief operating officer of Bluemercury, as its 2017 Retailer of the Year. Since founding Bluemercury 18



Barry Beck

years ago with his wife, **Marla**, Barry's leadership has helped the luxury beauty brand become one of the industry's fastest-growing retailers. Bluemercury now operates nearly 200 stores in more than 30 states (it grew its

store count by more than 50% in 2016), and has 2,000 employees. In 2015, **Macy's** acquired Bluemercury.

"We've always adhered to the company's mission of being the best in the world at giving beauty advice," Barry says. "Our sustained competitive advantage has always been our expertise. It's what sets us apart from the pack. It's our secret sauce and enduring secret weapon, which has helped Bluemercury become an iconic luxury brand and household name. However, I'll never forget that it took us 18 years to become an overnight success." Visit mytotalretail.com/.



### Jeffrey Davidson has been appointed CEO of JD Beauty/Wet Brush by the company's



Jeffrey Davidson

Board of Directors. **Jeff Rosenzweig** has assumed the role of executive chairman.

"This is the perfect time for Jeffrey to become Wet Brush's next CEO. We have selected a strong leader at a time

when Wet Brush is in a very strong position," says Jeff Rosenzweig, "Our next CEO needs to thrive in a highly dynamic environment, to be capable of accelerating what is working well for Wet Brush and disrupting what needs to change. Jeffrey is unique in his ability to translate vison and strategy into world-class execution, bringing together teams and people to drive results. Over his three-and-a half years with Wet Brush, Jeffrey has demonstrated exceptional leadership skills, tenacity and patience, along with strong strategic and analytical thinking. He is driven, passionate and intensely committed to our business."

Jeffrey is no stranger to the CEO role, having served as CEO of several successful entrepreneurial companies such as Magic Cinemas, Lindsay Phillips and MB Associates. He was also a managing partner of Coqui Capital and the SBIC Venture Capital firm.

"I am thrilled to have the opportunity to lead, grow and further develop the Wet Brush brand. With a great team in place, we can continue to build and develop disruptive marketing and social platforms to further transform our ability to meet our customers' needs," says Jeffrey. Visit jdbeauty.com and wetbrush.com.

**JuE Wong is Moroccanoil's new CEO.** She brings to Moroccanoil a robust track record



JuE Wong

of propelling
emerging brands to
the mainstream while
globalizing
established brands,
including Cargill Inc.,
PepsiCo, Dial Corp.,
Murad Inc., NV
Perricone MD Ltd.,
ZO Skin Health by
Dr. Obagi, Astral

**Health and Beauty** and **StriVectin.** Most recently, she served as president at **Elizabeth Arden.** 

JuE's global business expertise and indepth understanding of the continuously evolving global consumer marketplace will advance the brand's profile and position within the prestige beauty category, as well as ignite accelerated growth worldwide. She will draw upon her vast experience to drive increased sales to the professional salon channel, the heart of the Moroccanoil business, as well as lead continued expansion in high-growth channels, such as Travel Retail and e-commerce, paving the way for an increasingly diverse omni-channel consumer experience.

JuE will also spearhead research and innovation, which lies at the core of the long-term strategy for Moroccanoil, leading the expansion into new product categories, while strengthening and diversifying the current portfolio. Earlier this year, the company appointed a highly-regarded biochemistry expert to lead the brand's product development team.

JuE's track record of substantially improving global business performance makes her the ideal leader to further establish Moroccanoil as a best-in-class organization, and will aid in sharpening worldwide operations to maximize efficiency and go-to market strategy, sparking profitable, sustainable growth. She will also drive the company's digital transformation, significantly increasing the brand's digital presence both online and via social media channels.

Finally, she will lead the company's
Corporate Social Responsibility &
Sustainability initiative to reduce the brand's
overall carbon footprint, bringing
Moroccanoil Co-founder **Carmen Tal's** vision
of an environmentally friendly future to life.
Key priorities include working toward
sustainable packaging, incorporating
biodegradable ingredients into product
formulations, increasing the company's
overall energy efficiency, reducing
greenhouse emissions and distributing any
excess personal care products to people in
need around the world.

"Moroccanoil is trailblazing the beauty industry through argan oil-infused innovation, and I'm thrilled to come on board at such an exciting time in the evolution of this iconic brand," says JuE. "I'm looking forward to implementing the next phase of our multipronged growth strategy through innovation, multi-media digital advancement and a creative omni-channel approach." Visit moroccanoil.com.

Sally Beauty Holdings has appointed veteran retail executive Carrie McDermott to the position of president of its Sally Beauty operations in the United States and Canada.

"Carrie is a high-performance executive with significant retail experience," says **Chris Brickman**, president and CEO of Sally Beauty Holdings. "Carrie's keen understanding of customer engagement and proven track record of building and driving sales in a demanding retail environment will help accelerate our progress in becoming the leading provider of salon-quality products in the retail sector."

Adds Carrie, "I believe Sally offers a differentiated and unique beauty solution to its customers. I am excited about the strategic direction, including the transformation of the loyalty program and enhancing the customer experience. I look forward to leading the Sally team forward."

Prior to joining Sally, Carrie served nine years in roles of increasing responsibility with **DSW Inc.**, where she most recently served as



chief operating officer. In this role, she led the company's operations and marketing strategy, which included strategic brand positioning, media, creative and customer loyalty touch points. Prior to that role, Carrie served as DSW's executive vice president of sales and operations, where she was responsible for driving the company's omnichannel initiative, launching ship-from-store and successfully opening 200 stores. Prior to DSW, Carrie had leadership roles with other retailers, including **Cooper's, Inc.,** (a familyowned specialty retail business), **The Gap, Inc.** and **Barnes & Noble, Inc.** Visit sallybeautyholdings.com.

### Michael Kingston joins L'Oréal as chief information officer of L'Oréal's Americas



Michael Kingston

**Zone**, He succeeds **Barry Gilmore**, who retired at the end of September after 17 years of IT leadership with L'Oréal.

"Michael's diverse experience leading change and deploying strategic consumer

solutions will be an important asset in driving innovation forward at L'Oréal," says **Frédéric Rozé**, president and CEO of L'Oréal USA and executive ice president of the Americas Zone. "He is a progressive IT leader, and we are thrilled to add his talent to our management team."

With more than 20 years of IT expertise, Michael's extensive technical background, paired with his ability to empower organizations around enterprise transformation, will complement the strong IT talent at L'Oréal Americas.

**Tara O'Brien returns to Cortex USA** as chief sales and marketing officer. In this new role, she will develop and implement growth strategies across all channels of beauty, both in business and in creative innovation.

Cortex is a supplier of advanced and fashion-forward products for both professional and home use—including blow-

dryers, flat irons, curling irons, hairbrushes and other hair care items. With its **Cortex** 

### Professional, BE Professional, Exclusive and



Tara O'Brien

Cherry brands, Cortex has developed a wide variety of tools for the professional stylist, barber and client to choose from. Cortex also manufactures lines for specialty retailers and major department stores globally with

### brands like Sephora, Fahrenheit, Cortex International, Bellezza and Hair Rage.

This is Tara's second time with Cortex. In her first stint with the company, she was its vice president of sales and marketing. Previously, she was the vice president of creative for **H2Ocean skincare** and vice president of brand development with **Peter Coppola Beauty.** 

"I appreciate the trust that Cortex has in me. The business partners I engaged with here previously are still happy partners today. I look forward to developing new business and establishing Cortex as a trusted brand," says Tara. Reach her at tobrien@cortexusa.com. Visit cortex-usa.com.

### Tom Nelson has rejoined The Kirschner Group, Inc. as sales manager for Ontario,



Tom Nelson

Canada. Tom is known for developing new distribution opportunities, surpassing sales targets and creating strong and lasting relationships. He most recently served as sales manager for

"We are thrilled to have Tom rejoin The Kirschner Group. His knowledge of the territory and customer relationships are huge assets," says **Paolo Rezzara**, vice president of international sales. Reach Tom at tom@kirschnergroup.com. Visit kirschnergroup.com.

### Tracey Hughes is the new vice president of global education for L'anza Healing



Tracey Hughes

Haircare. An expert in education development and event management, she will help L'anza develop its education systems, digital assets and brand image. With a philosophy of transformation through

education, Tracey's ethos is grounded in the values of quality, integrity and productivity. After presenting on some of the biggest stages and headlining the most prestigious events worldwide, she will drive education offerings throughout the L'anza international network and lead the Global Education Team of L'anza Healing Artists.

"Tracey's depth of experience, technical knowledge and creative vision in the education field is world class. I believe her dynamic leadership will provide our clients with unparalleled education globally," says **David Berglass**, CEO and president of L'anza.

Previously, Tracey served as artistic director and global education director for several professional brands. The Aussie powerhouse now calls Los Angeles her home. Visit lanza.com.

# Regis Corporation has named James Suarez as vice president, creative. Jamie will be responsible for developing the technical educational direction for the Regis brands, as well as new trends and service offerings. He will also oversee the Regis Artistic Team.

"Jamie is a talented leader who has motivated and commanded the respect of more than 40,000 stylists and field leaders at Regis," says **Hugh Sawyer**, CEO and president. "Regis intends to educate and inspire our stylists through industry-leading technical and fashion-forward training, and Jamie's appointment reflects that commitment."

Jamie has served as creative director since 2015. He joined Regis in 1997, working in technical education and operations before moving into creative. Visit regiscorp.com.

### ColorProof Color Care Authority announces four new appointments. As the



Mary Wilson

new director of education, Mary Wilson will develop curricula, forecast trends, facilitate training, and recruit and manage the brand's rapidly expanding network of international artists and educators. Mary has

more than 30 years of experience in the professional beauty industry as a consultant and in senior leadership positions for

L'Oréal, Redken, PureOLogy Serious Color Care, HAI, FHI Heat, L'anza and Matrix. She specializes in team-building, program



Kymberly Riffel

development and cultivating culture.

Kymberly Riffel joins ColorProof as national sales manager. She will manage the company's domestic and international distribution and lead the company's sales

force. With more than 30 years' experience in senior leadership roles in sales and marketing, Kym has a profound understanding of the luxury goods and professional salon channels. She has worked for **Clairol** 

#### Professional, Helene Curtis, Nioxin, L'Oréal



Joshua Higgins

**Professional** and two start-up indie brands.

Joshua Higgins has been promoted to senior regional sales manager. Joshua began working with ColorProof in 2012 as a brand manager with

**Premier Beauty Supply.** He soon joined the ColorProof

team as a regional sales manager and proved himself instrumental in cultivating distributor

and salon relationships, growing ColorProof's market share and implementing strategic planning within his territory. As senior regional sales manager, his role expands as he takes on a leadership position within the ColorProof sales team. He will work with senior management on strategies to increase new business and drive sales growth.

**Erin Hall** returns to ColorProof as regional sales manager. She will be responsible for



Frin Hall

strengthening
partnerships with her
distributor and salon
accounts, strategic
planning and
communicating brand
culture throughout
her region.

Erin joined the company in 2012 as one of the brand's first

Envoy members, and later, as one of the first artistic specialists. In 2014, she was promoted to distributor specialist and was later brought on board as a regional sales manager for the Midwest territory. For more information, visit colorproof.com.

### The Professional Beauty Association has announced its leadership for the



Reuben Carranza

2017/2018 term.
Reuben Carranza,
partner/president,
Luxury Brand
Partners/R+Co, will
continue to serve as
chairman of the
board. Beth Hickey
with Spa Specialties
Representatives will
continue to serve as

vice chairman.

The PBA Board of Directors is comprised of 12 industry professionals who represent various sectors of the beauty industry. The following are the industry professionals who will serve on the Board of Directors for the 2017/2018 term: **Kevin Barrett (Fromm International)**, Sydney Berry, (Salon Services and Supplies), Scott Buchanan

### (Scott j salon group), Reuben Carranza (Luxury Brand Partners/R+Co), Bonnie



Beth Hickey

Conte (Avalon
Salon and Day Spa),
Beth Hickey (Spa
Specialties
Representatives),
Harlan Kirschner
(Kirschner Group),
Steven Porter
(Steven Porter
Hair), Graciela

Santiler-Nowik (Hair Base Salon & Spa), Ed Stein (Four Star Beauty), Oliver Steinnagel (Oliver's Hair Salon) and Karl Sweis (Sweis Professional Salon & Spa Products). Mark Goodman's (The Hair Designers) Board term is expiring and he will be leaving the Board, as is Rowena Yeager (Studio Wish Salon).

"It's an honor to have such a diverse and experienced Board of Directors volunteer their time and resources to support the PBA. I am looking forward to this upcoming year, as we work to implement our new strategic direction. The Association and the industry will no doubt be positively impacted by their leadership," says PBA Executive Director **Steve Sleeper.** "I also want to sincerely thank our outgoing Board and Advisory Council members. These volunteer leaders have been instrumental in helping move the PBA's mission forward."

In addition to the Board of Directors, PBA's governance model includes four Advisory Councils—Beauty Professional/NCA, Distributor, Manufacturer and Salon/Spa. Advisory Council Memberships for 2017/2018 are as follows:

Beauty Professional/NCA Advisory
Council: Marcia Bird (Raritan Valley
Community College), Jenae Davis (Salon
Jenae), Beth Hickey (Spa Specialties
Representatives), Lisa Lane (Lisa's of
Annapolis), Steven Porter (Steven Porter
Hair) and Peggy Sue Schmoldt (Academy of
Cosmetology Arts).

Distributor Advisory Council: Jennifer Almonte (Professional Salon Services), Sydney Berry (Salon Services and Supplies), Alex Cohn (Premier Beauty



Supply), Brian Slaick (EISS Inc), Ed Stein (Four Star Beauty) and Karl Sweis (Sweis Professional Salon & Spa Products).

Manufacturer Advisory Council: Trevor
Attenborough (Kao USA Inc), Kevin Barrett
(Fromm International), Reuben Carranza
(Luxury Brand Partners), Beth Carson (The
Sam Villa Company), Scott Hagstrom
(Helen of Troy) and Sara Jones (Joico
Laboratories).

Salon/Spa Advisory Council: Scott
Buchanan (Scott j salon group), Bonnie
Conte (Avalon Salon and Day Spa), Karie
Bennett (Atelier Aveda Lifestyle SalonSpa),
Cynthia Feldman (Progressions Salon Spa
Store), Gayle Fulbright (Headlines THE
Salon) and Oliver Steinnagel (Oliver's Hair
Salon).

PBA would also like to thank the following out-going Advisory Council Members: Mark Goodman (The Hair Designers), Brandon Ranney (Armstrong McCall), Renee Shakour (RG Shakour), Harlan Kirschner (The Kirschner Group), Colin Walsh (DevaCurl), Kimberly Johnson (Aveda Institute Portland), Rowena Yeager (Studio Wish Salon) and Holly Vaught (K Charles & Company Salons).

Joining the PBA corporate team are **Nathalie Reyes**, director—marketing, and **Bob Myers**, general manager—membership. Visit probeauty.org.

#### The International Salon/Spa Business Network members have elected Natalie



Natalie Lockhart

Lockhart, vice president of the Salon by InStyle inside JCPenney, to the ISBN's Board of Trustees for 2017-2018. In this role, she will join her fellow trustees in leading the owners of the only international

association for multi-unit salon and spa companies in growing both their own businesses, as well as the professional beauty industry. At JCPenney, Natalie is leading the strategic rebranding of the JCPenney salons to the Salon by InStyle. In addition to driving growth in the salon business, she has been a leader in integrating beauty across multiple categories at JCPenney.

With more than 15 years of experience in retail and services, she brings a unique perspective to the salon industry. Prior to joining the salon, Natalie held a number of finance and strategic roles at JCPenney. She also spent time in a private equity accelerator program, working with a rapid-growth start up.

Natalie began her career in the executive development program at **Neiman Marcus**. She spent 8 years advancing through the program and worked in a variety of roles in planning, stores and merchandising. She received her undergraduate degree at Tulane University in New Orleans, Louisiana and her Masters in Finance and Marketing at Southern Methodist University in Dallas.

THE 2017-18 ISBN Board of Trustees includes senior leadership from every type of multi-unit salon, spa and salon franchise business model. They include Rhoda Olsen, Great Clips (ISBN president); Pat Neville, BeautyFirst (ISBN vice president); Eric **Bakken, Regis Corp.** (ISBN vice president); Scott Missad, Gene Juarez Salons & Spas (ISBN secretary); Sandra Ovington, Ulta Beauty (ISBN treasurer); Larry Walt, Design 1 Salons/Spas; Jason Volk, Chatters Canada; Henry Pelusi, Studio of Elegance/Philip Pelusi Salons (ISBN Lifetime Achievement Award Honoree); Anthony Fiorentino, Hello, Gorgeous Salons; Debra Penzone, The Charles Penzone Salons; Edward Logan, Sport Clips Haircuts and Vent Blotique; Peter Mahoney, Head Shoppe and Natalie Lockhart, the Salon by Instyle inside JCPenney.

industry leaders to its new ISBN NextGEN Council. This dynamic group will sculpt future programs and provide new perspectives on what the next generation of multi-unit salon and spa industry leaders wants and needs from a professional

association, its programs and events. The Council will focus on engaging new leaders within current ISBN member companies to play a larger role in the association and on developing strategies for attracting new, upand-coming salon and spa companies to ISBN. In addition, these leaders will help develop and create content for the association's annual conference and additional programs that will engage more professionals from ISBN member companies.

The ISBN NextGEN Council members include Sandra Smith, The Salon by InStyle inside JCPenney; Michael Portman, Birds Barbershop; Laura Alexander, Regis Corporation; Graham Walt, Design 1 Salon Spa; and Gary Reed, Hairzoo.

A retailing and merchandising expert, Sandra Smith is the senior buyer for The Salon by InStyle inside JCPenney. She joined the company in August 2005 and has been promoted consistently to a variety of buying, merchandising and management roles with



Sandra Smith

increasing
responsibility, rising
to the Salon Division
in 2013. Today, she
serves as a member
of the division's
leadership team and
works with her
colleagues to drive
the ongoing
transition to The

Salon by InStyle brand, identify new trends and opportunities and analyze the competitors in each market in order to develop a strategic advantage. She works closely with the division's marketing manager to develop marketing strategies and promotions designed to grow the business. Sandra also manages the Salon Division's dotcom business, which is growing exponentially.

On a daily basis, Sandra leads and coaches a team of eight, who is responsible for buying all service, backbar and retail products. Her team partners with the company's vendors to identify trends, growth opportunities and strategies to grow their mutual businesses. As chief problem solver, she communicates with

salons daily to manage inventory allocations. In addition, she serves as the liaison between vendors and the internal education team for partnered training programs. Sandra holds a degree in Business Commerce from Collin College in McKinney, Texas.

Before creating **Birds Barbershop** with **Jayson Rapaport**, Laredo, Texas native **Michael Portman** was campaign consultant to Mexico's President Vicente Fox, an ad agency creative director and a writer for *Elle* and *GQ*. Plus, while moonlighting as a screenwriter, he served as an executive communications director for the Walt Disney





Michael Portman

Childhood friends Michael and Jason cofounded Birds Barbershop in 2006 as a walk-in barbershop for men, women and kids. It is aimed at onthe-go clients looking for value without sacrificing quality. The

nine-shop chain has been named eight consecutive times to *Elle's* list of the 100 best salons in America, Six years in a row, it was named as one of the nation's 5,000 fastest-growing small businesses by *Inc.* It has also been the *Austin Chronicle's* No. 1 barbershop since its inception. In 2011, the Birds creators launched their own line of hair products called **Verb**, which today is carried in salons across North America.



Laura Alexander

Laura Alexander is vice president, Walmart Relations and Franchise Administration, at Regis Corporation. In this role, she is responsible for overseeing the relationship with Walmart, where Regis owns and franchises around 2,700 SmartStyle

salons, and for driving results-oriented initiatives throughout Regis' franchise brands. Laura holds a Bachelor of Arts degree from Mount Holyoke College, and a law degree

from William Mitchell College of Law. She is a member of the Minnesota Bar Association.

Graham Walt has deep roots in the salon industry. He was a sales consultant for SalonCentric for eight years and received awards for top overall sales for Redken and Pureology. He also earned the status of a million-dollar sales rep for seven out of his



Graham Walt

SalonCentric. In 2015, Graham joined his family's business, **Design 1 Salon Spa,** whose five locations are among the most successful salons and day spas in the Midwest. Today, he serves as the director

eight years with

of salon development and education. In addition to his responsibilities at Design 1, in February 2017, Graham and his wife **Anna**, who has been a hairdresser for 15 years, opened their own business, **Unite Salon Suites**, in Portage, MI.

**Gary Reed, Jr.** is president of **Hairzoo**. He graduated from Ithaca College in 2000, earning a Bachelor of Arts in Business Administration with a concentration in



Gary Reed, Jr.

finance. From 2000 to 2004, Gary worked for Deutsche Bank in investment banking. Between 2004 and 2008, he assumed a management role in the hospitality business for James Hotel and Morgan's

Hotel Group, where he managed a team of more than 60 employees and managers. In 2008, Gary joined his family's business, Hairzoo, which has operations in California and New York. He manages the company's West Coast operations.

To join ISBN, to sponsor the 2018 Conference, "Future-Proof Your Business," or to learn more about the association, visit salonspanetwork.org.

### The International SPA Association has named its 2018 Board of Directors and



Lynne McNees

officers. Their terms began on October 18, 2017, at the ISPA Conference & Expo in Las Vegas.

The ISPA Board of Directors will be led by elected Chairman Todd Shaw, spa director at The Peaks Resort & Spa. Todd

**Hewitt,** corporate director spa, health clubs and recreation, **Shangri-La Hotels and Resorts,** was elected to serve as vice



Todd Shaw

chairman. Garrett
Mersberger, director
of wellness at Kohler
Water Spas, Kohler
Co., will serve as
secretary/treasurer.
Michael Tompkins,
executive recruiter,
Hutchinson
Consulting, will
continue to serve in

the immediate past chairman role.

Newly elected board members include **Damien Craft,** senior spa director North



Todd Hewitt

America, Four
Seasons Westlake
Village; Brennan
Evans, vice president
spa operations,
Trilogy Spa
Holdings; and
Kelleye Heydon, spa
director, The
Edgewater Spa.
Re-elected

incumbent directors include **Kristine Huffman**, president, **Huffman Hospitality Concepts; Laura Parsons**, director of operations—The Americas, **ESPA International US, LTD.** (Spa Division); and **Eric Stephenson**, director of education, **Well World Group**.

**Frank Pitsikalis,** founder and chief executive officer, **ResortSuite**, and **Sharilyn** 



Abbajay, founder, Abbajay & Associates LLC, will continue to serve in their roles on the ISPA Foundation Board of Directors as



chairman and vice chairman. respectively.

These individuals will join the current directors, who are in the middle of an active board term. They include **Noel** Garrett Mersberger Asmar, president and chief executive officer.

Noel Asmar Group, Inc.; Scott Duncan, president, Spa Gregorie's; Blake Feeney, vice president—business development, **Living** Earth Crafts; Patrick Huey, group spa director-Asia, Minor Hotel Group; Julie Oliff, director of operations-residences, St. Regis Aspen; Robert Vance, managing director, Well & Being Spa at the Fairmont Princess; and Lynne McNees, president, ISPA. Dr. Brent Bauer, director of complementary and integrative medicine program, Mayo Clinic, continues to serve as ISPA's medical adviser.

ISPA advances the spa industry by providing educational and networking opportunities, promoting the value of the spa experience and speaking as the authoritative voice to foster professionalism and growth. Visit experienceispa.com.

#### The Beauty Changes Lives Foundation has appointed Winn Claybaugh, founder and



Winn Claybaugh

co-owner of Paul Mitchell's school division: Dennis Ratner, CEO of Ratner Companies; and Jen Planck. master stylist, platform artist and motivational speaker, to its board of directors.

Winn is a published author, motivational speaker, and founder and co-owner of Paul Mitchell's school division. The **North** 

American Hairstyling Awards named Winn to its Hall of Leaders, and behindthechair.com awarded him the Hairdressers Unlocking Hope award. In 2016. **American Salon** named Winn one of the top five Industry Leaders Who Helped Revolutionize Education. In 2017, Winn was awarded the Ellis Island Medal of Honor, an honor presented to American citizens who have distinguished themselves within their own ethnic groups while exemplifying the values of the American way of life.

A passionate advocate for mentoring, Jen Planck's message of paying a hairdresser's



Jen Planck

success forward to help the next generation has inspired countless hairstylists over the past 25 years. Throughout her career. Jen has climbed almost every rung on the ladder of success,

moving from stylist to artistic director, platform artist and salon owner. Her central message is that we are all equal and the more we help one another, the more we receive in return.

Dennis Ratner is founder and CEO of Ratner Companies, the largest privately-



Dennis Ratner

owned chain of hair salons in the United States. Beginning his career as a hairstylist and salon owner, at age 19, Dennis and his former wife, **Ann**, created the concept for a value-priced family salon, opening the first Hair Cuttery

in 1974. Over the past four decades, Ratner Companies has grown to nearly 1,000 salons employing 12,000 individuals. The company's salon holdings encompass both value and upscale brands, including Hair Cuttery, Bubbles, Salon Cielo and Spa and the Salon Plaza booth rental concept. The Ratner

Group also created and serves as the exclusive distributor of the **Cibu** professional product line.

The new directors join a board that includes Lynelle Lynch (president), owner of Bellus Academy; Robert Passage (vice president), CEO & Global Ambassador of Pivot Point; Tate Holland (treasurer), president and CEO of Make-up Designory; **Jan Arnold,** co-founder and style director of CND: Frank Cacciato. CEO of Katherine Frank Creative; Christine Schuster, vice president of education for the **L'Oréal USA** Professional Products Division; Salvatore **Mauceri**, vice president for North America Professional Beauty and Global OPI, Coty Professional Beauty; Elisa Fischer, general manager for the Americas, TIGI; Jen Wilder, vice president of marketing for **Beauty** Systems Group; and Trevor Attenborough, general manager of the North American salon division for **Kao USA**, **Inc.** Visit beautychangeslives.org.

It's a 10 Haircare adds Steven Clopton as senior vice president of global sales.  $\ensuremath{\mbox{He}}$ has worked in the professional haircare and retail beauty industries for two decades and



Steven Clopton

brings a wealth of experience, knowledge and new perspective to the brand

Steven spent five years in management for beauty retailers such as Sephora, The Body Shop and

Bath and Body Works. He started his career in pro beauty as a sales consultant for **Maly's** in 2002. Steven then spent 11 years with **Henkel Beauty Care** as the national director of sales for the **Schwarzkopf** professional brand. Since 2016, Steven has served as the vice president of sales for **Revlon Professional,** which includes the **American** Crew. Revion Professional, CND and d:fi brands. Reach him at steven@itsa10haircare.com. Visit itsa10haircare.com.

Keratin Complex has named Kevin Mills as vice president of education. In his new role, Kevin will be responsible for all education programs and platforms, the Keratin Complex Academy, as well as education ventures at trade shows and events. He will also oversee the respective internal and external education and artistic team members. In addition to his position at Keratin Complex. Kevin will also continue in his role as vice president of education for the **Stars** family of companies, where he has worked for over 20 years.

Prior to his corporate work, Kevin was a top colorist in New York City, having worked at premier salons such as **Bumble & Bumble** Salon and David Daines and co-owning Chameleon Salon. He has also worked as a platform artist and educator for many leading industry color manufacturers.

"My goal is to provide our salons and stylists with impactful, exciting and meaningful programs that help grow their businesses, as well as motivate and inspire them to raise the bar in our industry," he says. Visit keratincomplex.com.

### obits

#### As Beauty Industry Report went to press, we learned of the death of Joan Harrison,

owner and publisher of Canadian Hairdresser. There are no words to describe our sadness at the passing of this industry icon, media mogul, brand executive. hairdresser, educator and mentor. Joan helped launch the



Ioan Harrison

careers of so many leaders in the professional beauty business. Her legacy will live through all of us whom she inspired.

#### Barbara Salomone, founder and owner of Bioelements Professional Skin Care, died recently after an ongoing illness.



"Barbara treated all employees like family, and we are truly heartbroken," says **Bob** Schatz. Barbara's brother and Bioelements' CEO. "She laid the groundwork for what this company is today, and helped build an ever-expanding team

of experts who share her pioneering spirit, her passion for advanced education, and devotion to product and ingredient innovation above all else."

Barbara's career began as a makeup artist in the late 1970s. Popular for her engaging personality and it-girl insight, Barbara's facial services were in high demand. In 1978, she became one of the first licensed estheticians in the United States, and soon began defining a whole new way to assess the skin, determine treatment strategies, and develop new facial techniques, which would become the SkinReading system.

Barbara opened advanced esthetics Learning Centers across the United States, and soon saw a need for a professional line of skin care products that would meet her standards. The Bioelements product line launched in 1991, including the exclusive Custom Blending system, to transform professional treatments. Since that time, the company has spearheaded some of the most industry-changing formulations, including probiotics, calcium, pollution-neutralizers, amino acids and white truffle.

Bioelements will continue to set the same goal as the one Barbara set over 25 years ago—to create products and treatments that target the uniqueness and range of all skin types and concerns. As Barbara always said, "No hype, no gimmicks and no false claims."

Bioelements would love to hear your personal stories about Barbara. Please send your remembrances and stories to amanda@bioelements.com.

L'Oréal heiress Liliane Bettencourt has died. She was 94 years old. The daughter of company founder **Eugene Schueller**, she was considered the world's richest woman with a net worth estimated at around \$44 billion. according to Forbes.

### who's looking for what

Sales management executive with nearly 20 years of business development and sales experience and a proven track record of increasing revenue with international players and startups seeks a new **opportunity.** This lively, focused leader uses an analytical approach and sharp critical thinking skills to launch brands and create distribution channels and sales forces from the ground up, increasing profits and revenue and streamlining productivity. He has deep contacts with national/regional distributors, national retailers and national/regional chains. Email info@bironline.com confidentially with Box 9A in the subject line and we will introduce you.

### hair biz

(8 oz./SRP \$20.00) straddles the line between squeakyclean and second-day hair. A vegan product, this rich, creamy, suds-free formula gently cleanses and conditions the hair in one step, bringing the benefits of co-washing to all hair types. Reach **Steven DeCola**, national sales director, at steven@arrojonyc.com. Visit arrojonyc.com.











Empowered Individualism, the new collection from Pivot Point International, celebrates the uniqueness humans have to offer and their capability to outwardly exhibit their particular individualities. The collection features hairdressing by Vivienne Mackinder, who demonstrates her strength in styling through bold uses of color, daring shapes and unconventional finishing. Empowered Individualism is inspired by today's political climate in the U.S. that harkens back in many ways to the '80s, which influenced fashion and other industries for years. Photography by Roberto Ligresti.

Makeup by David Maderich. Fashion Styling by Montgomery Frazier. Clothing design by Malan Breton.

Innersense Organic Beauty has received a "Zero" rating on its new Hydrating Cream Hairbath (10 oz./SRP \$28.00) and Conditioner (10 oz./SRP \$30.00) on Think

**Dirty,** the independent rating app that allows consumers to scan the

products to gauge toxicity.

Zero is the cleanest rating on the app.
Innersense
Organic Beauty



"Our Hydrating collection takes clean chemistry to the next level," says Innersense Organic Beauty CEO **Greg**Starkman, who founded the line with his wife **Joanne** after the birth of their special needs daughter awakened a drive for a pure, organic and toxin-free lifestyle. "Our scores

prove there's no need to sacrifice health for beautiful hair."

Hydrating Cream Hairbath delivers gentle cleansing and nourishment to dry, coarse hair with coconut oil, shea butter, jojoba, tamanu seed and rice bran oils. Hydrating Cream Conditioner nourishes and mends hair with shea butter, tamanu, flax seed and monoi oils; aloe vera strengthens and smoothes the hair cuticles. Both products offer deep, weightless hydration with grounding notes of vanilla and sage. Visit innersensebeauty.com.

#### Hanz de Fuko launches Style-Lock

**Hairspray** (SRP \$23.50), an extreme-hold, long-lasting hair spray. It goes on dry, is

non-flaking and brushes out easily.
The formula features sunflower oil to lock-in moisture, lemon peel and burdock root to condition and fight dandruff, mallow and horsetail extracts to condition hair and apple extract to fight the signs of aging hair. The design of the can represents an artistic expression of

San Francisco's Mission District,

where the brand originated. Reach **Bryan Schager**, director of salon and barber sales, at bryan@hanzdefuko.com. Visit hanzdefuko.com.

New Truss Professional Volumizing Styling Powder (SRP \$16.00), defined as a "Powder Pomade," starts as a fine, white powder in your hand and grows gradually into a



powerful cream, as it's worked between the fingers and into dry hair. It increases volume, boosts texture and provides a matte finish. Offering the ideal hold and flexibility for most hair types, this product is exceptional for styling short hair or for increasing volume to the

roots for those with longer locks.

Also new, **Truss Net Mask** (SRP \$42.00) offers smart hair repair. Using advanced nanoregeneration properties, it adheres to the more porous areas of the hair, aiding with hydration, reconstruction and nourishment, for all hair types. It offers the nanoreplacement of the protein mass and restores elasticity, strength and natural luster. It seals hair cuticles, reduces volume and increases thermal protection while extending hydration and enhancing shine. The result is reduced volume and improved manageability for soft, silky, shiny hair. Visit http://usa.trusscosmetics.com/.

Barberstation, an irreverent men's styling line from the Netherlands, is now available **in North America.** Bold packaging featuring founder Jean van Rossum's face, will grab barbers' and clients' attention, alike,

Based on the old-school barbershop, Barberstation opened its first barbershop in Nijmegen, Holland, in 2013.



Today, the company includes three barbershops, a barber academy and a full grooming products line. The brand was recently awarded the Kapper Keten Best Barber/Hairdressers Chain Company of the Netherlands, an award that demonstrates the appreciation of both the industry and the Dutch consumers of Barberstation's eclectic style.

"Being an old-school barbershop means that we master the craftmanship to create perfect classic haircuts, like the pompadour, the executive contour, the slickback, flattop, cuts like that," says Jean. "We only do classic haircuts that have survived the ravages of time; we don't do trendy fashion haircuts. We do our own thing, and we do it damn well, if I may say so! We are not into fashion, but we are into style and class, with a little raw rock 'n roll edge—a style for real gentlemen and guys with attitude."

The line includes **Pomade**, with a medium-to-firm hold and high sheen; Cream,



with a medium hold and natural shine: Matte, a very firm clay for a messy texture or extreme volume: Grease, an oil-based pomade with a medium-to-firm hold and high sheen: **Shampoo**, a gentle formula for men's hair. scalp and skin with a mint fragrance; Beard Balm, to soften and model the beard: Magic Fix, an old-

with extra hold; and Devil's Water, an aftershave tonic to cool and smooth the skin after shaving that does double-duty as a hair tonic for a fresh fragrance and restyling.

Barberstation's education team will tour North America in 2018 to teach their classic cutting and styling techniques to barbers and stylists. Jean is also a magician, so expect a fun-filled performance!

Barberstation is imported to North America by Backstage Commerce Inc. For distribution opportunities in the United States, reach Andre Chiavelli at andrechiavelli@yahoo.com. Visit http://backstagecommerce.ca/brands/barb erstation/



Repêchage CEO and Founder Lydia Sarfati and JB Skincare, exclusive distributor of Repêchage in India, recently hosted Repêchage Global Success Story and Trends, a conference for 100 beauty professionals. The new **Repêchage Biolight Luminex Mask,** a hybrid express peel for skin brightening, and Repêchage Triple Action Peptide Mask, a peptide and seaweed-based



from left: Bikram Sapra, owner of JB Skincare; Arpita Das, director of marketing and education for JB Skincare; Lydia Sarfati, Repêchage CEO and founder; and Paul Dykstra, CEO of Cosmetologists Chicago.

sheet mask to hydrate, firm and brighten, debuted at the conference.

Gregory Taevs, principal commercial officer at the American Consulate in Mumbai, thanked Lydia and **Bikram Sapra**, owner of JB Skincare, for creating a successful partnership between the U.S. and India. Lydia's spa business-building book, **Success at** Your Fingertips: How to Succeed in the **Skin Care Business.** was also introduced to professionals in India.

In related news. Mrs. India 2017 & Mrs. North Asia Universe 2017 Kristi Das will



serve as an official brand ambassador in India for Repêchage **Professional** Skin Care. JB SkinCare is the

exclusive distributor for Repêchage in India. **Arpita Das,** international skin care expert and director of Repêchage India, is her skin care expert. Visit repechage.com

Dermaquest launches the Beauty Enhance Kit (SRP \$75.00), a four-product collection that preps and protects the skin before applying makeup, to ensure a flawless set all day. The kit includes **Universal Cleansing Oil** (2 oz.), Algae Polishing Scrub (1 oz.), **Essential B5 Hydrating Serum** (0.5 oz.) and Perfecting Primer (0.5 oz.). Products can be used on all skin types. Visit dermaquestinc.com.





The new Hempz Aromabody Milk & Honey Herbal Body Collection includes Milk & Honey Herbal Body Moisturizer (17 oz./SRP \$23.00, 2.25 oz./SRP \$7.30), Milk & Honey Herbal Exfoliating Body Whip (7.3 oz.,/SRP \$19.95), Milk & Honey Herbal Body Wash (8 oz/SRP \$19.00) and Milk & Honey Herbal Hand & Foot Crème (3.4 oz./SRP \$11.95).

These ultra-luxe skin-loving formulas comfort, nourish and provide skin with long-lasting moisture. They are enriched with 100% pure natural hemp seed oil, agave extract, rice extract, jojoba oil, avocado oil, cocoa butter, shea butter and vitamins A, C and E to nourish and comfort the skin, leaving it feeling soft, smooth and conditioned.

Also new, the **Hempz Yuzu & Starfruit Instant Sunless Collection** features
lightweight, gentle, hydrating formulas that
instantly absorb into the skin to provide the
perfect shade of sunless color. Signature
Citrus Fruit Complex delivers moisture and
helps condition, soothe and revitalize skin
from sun exposure and daily elements.

Products in the new collection include Yuzu & Starfruit Instant Sunless Bronzing Mousse for Fair Skin Tones (8.5 oz./SRP \$26.95), Yuzu & Starfruit Instant Sunless Bronzing Mousse for Medium Skin Tones (8.5 oz./SRP \$26.95) and Yuzu & Starfuit Exfoliating Herbal Body Primer (6.76 oz./SRP \$16.95).

Fore more information, contact **Lou Georgelos**, senior vice president of sales and marketing, at lgeorgelos@pbigroupinc.com.

Visit hempz.com.

Australia's Bondi Sands, a collection of self-tanning products, now offers

Professional Spray Tan Solution
in a backbar size (35.2 oz.). It's

available in light/medium, dark, ultra dark and liquid gold. This gives salons and spas the opportunity to attract clients who have been using the product at home for a professional application. The solution contains DHA and erythrulose for a deeper,

longer-lasting tan. The dry-oil formula is enriched with argan and coconut oil, which help to nourish the skin and ensure the perfect golden glow. Reach **Jordan Mylius**, sales, at jordanm@bondisands.com.au. Visit bondisands.com.



Regis Corporation (NYSE: RGS) announced it has sold substantially all of its mall-based salon business in North America and entered into an agreement to sell substantially all of its International segment to The Beautiful Group, an affiliate of Regent, who will operate them as the company's largest franchisee.

This transaction includes 858 of the company's North America **Regis Salons** and **MasterCuts** locations, which are full-service, mall-based salons, as well as the intellectual property related to MasterCuts and certain other trade names. The announced transaction also includes the company's 250 Regis Salons and **Supercuts** salons in the United Kingdom.

The company noted that the approximately 9,800 stylists and managers in the salons associated with this transaction will become employees of The Beautiful Group and its affiliates, along with their

existing field leaders in the mall-based and International segments.

"In May of this year, we announced that we had retained **Huron Transaction Advisory** to provide certain financial and investment banking services to assist in our review of strategic alternatives for our mallbased businesses. I am delighted that after a thoughtful diagnostic process we have reached a strategic conclusion that we believe will best serve our shareholders, employees and guests. This transaction further clarifies our strategy by focusing our company-owned salon portfolio in North America on the value segment. At the same time, this outcome is consistent with our strategic imperative to accelerate the growth of our Franchise portfolio," says Hugh **Sawyer,** president and CEO of Regis Corporation. "We are fortunate to have found a high-quality partner in Regent's Chairman **Michael Reinstein.** who has an impressive record of success as a business owner with well-known companies, and we were able to keep these salons and employees as part of the Regis family of brands through the franchising arrangement. We are excited about our new partner's vision to develop the business into a luxury brand through an elevated experience for our customers and stylists and look forward to a long-term, mutually beneficial relationship with the Regent team."

The International portion of the transaction closed as **BIR** went to press.

Ulta Beauty, Inc. (NASDAQ:ULTA) recently announced financial results for the 13-week period ("Second Quarter") and 26-week period ("First Six Months") ended July 29, 2017, which compares to the same periods ended July 30, 2016.

"The Ulta Beauty team delivered another quarter of excellent performance with strong top-line growth coupled with robust margin expansion," says **Mary Dillon, CEO.** "We accelerated our market share gains while continuing to reduce promotional intensity and increase personalized offers through our industry-leading loyalty program. Product

category strength was broad based, with prestige cosmetics still driving the majority of our growth, and with skin care, fragrance and hair care all gaining momentum. We are also benefitting from continued success of our marketing programs, rapid growth in e-commerce and solid operational execution across the enterprise."

#### For the second quarter:

- Net sales increased 20.6% to \$1,289.9 million from \$1,069.2 million in the second quarter of fiscal 2016;
- ▶ Comparable sales (sales for stores open at least 14 months and e-commerce sales) increased 11.7% compared to an increase of 14.4% in the second quarter of fiscal 2016. The 11.7% comparable sales increase was driven by 5.5% transaction growth and 6.2% growth in average ticket;
- Retail comparable sales increased **8.3%**, including salon comparable sales growth of 7.7%;
- ► Salon sales increased 15.3% to \$68.0 million from \$59.0 million in the second quarter of fiscal 2016;
- E-commerce sales grew 72.3% to \$96.3 million from \$55.9 million in the second quarter of fiscal 2016, representing 340 basis points of the total company comparable sales increase of 11.7%;
- Gross profit as a percentage of net sales increased 40 basis points to 36.4% from 36.0% in the second quarter of fiscal 2016, due to improvements in merchandise margins and leverage in fixed store costs;
- Selling, general and administrative (SG&A) expenses as a percentage of net sales decreased 10 basis points to 22.0%, compared to 22.1% in the second quarter of fiscal 2016, due to leverage in corporate overhead and variable store expenses attributed to cost efficiencies and higher sales volume, partially offset by investments in store labor to support our growth initiatives;
- ▶ Pre-opening expenses increased to \$6.1 million, compared to \$4.7 million in the second quarter of fiscal 2016. Real estate activity in the second quarter of fiscal 2017 included 20 new stores, one relocation and

four remodels compared to 24 new stores, one relocation and five remodels in the second quarter of fiscal 2016;

- ▶ Operating income increased 25.1% to \$179.8 million, or 14.0% of net sales, compared to \$143.8 million, or 13.5% of net sales, in the second quarter of fiscal 2016;
- Tax rate decreased to 36.7% compared to 37.5% in the second quarter of fiscal 2016. The decrease was primarily due to the adoption of a new accounting standard at the beginning of this fiscal year for employee share-based payments;
- Net income increased 26.9% to \$114.2 million compared to \$90.0 million in the second quarter of fiscal 2016; and
- Income per diluted share increased 28.0% to \$1.83, including a \$0.02 impact due to the adoption of a new accounting standard at the beginning of this fiscal year for employee share-based payments, compared to \$1.43 in the second quarter of fiscal 2016.

#### For the First Six Months:

- Net sales increased 21.6% to \$2,604.7 million from \$2,142.9 million in the first six months of fiscal 2016:
- Comparable sales increased 13.0% compared to an increase of 14.8% in the first six months of fiscal 2016. The 13.0% comparable sales increase was driven by 7.1% transaction growth and 5.9% growth in average ticket;
- Retail comparable sales increased 9.6%, including salon comparable sales growth of 8.8%;
- Salon sales increased 16.0% to \$136.8 million from \$117.9 million in the first six months of fiscal 2016;
- E-commerce comparable sales grew 71.6% to \$200.6 million from \$116.9 million in the first six months of fiscal 2016, representing 340 basis points of the total company comparable sales increase of 13.0%;
- Gross profit as a percentage of net sales increased 10 basis points to 36.3% from 36.2% in the first six months of fiscal 2016:
- SG&A expenses as a percentage of net sales decreased 50 basis points to 21.8%

compared to 22.3% in the first six months of fiscal 2016, due to leverage in corporate overhead and variable store expenses attributed to cost efficiencies and higher sales volume, partially offset by investments in store labor to support our growth initiatives:

- ▶ Pre-opening expenses increased to \$10.3 million, compared to \$7.2 million in the first six months of 2016. Real estate activity in the first six months of 2017 included 38 new stores, three relocations and five remodels compared to 37 new stores, one relocation and five remodels in the first six months of fiscal 2016:
- Operating income increased 26.6% to \$368.2 million, or 14.2% of net sales, compared to \$290.9 million, or 13.6% of net sales, in the first six months of fiscal 2016;
- Tax rate decreased to 34.3% compared to 37.6% in the first six months of fiscal 2016. The decrease was primarily due to the adoption of a new accounting standard at the beginning of this fiscal year for employee shared-based payments;
- Net income increased 33.2% to \$242.4 million compared to \$182.0 million in the first six months of fiscal 2016; and
- Income per diluted share increased 34.3% to \$3.88, including a \$0.16 impact due to the adoption of a new accounting standard at the beginning of this fiscal year for employee share-based payments, compared to \$2.89 in the first six months of fiscal 2016.

**Balance Sheet:** Merchandise inventories at the end of the second quarter of fiscal 2017 totaled \$1,144.7 million, compared to \$930.2 million at the end of the second quarter of fiscal 2016, representing an increase of \$214.5 million. Average inventory per store increased 10.5% compared to the second quarter of fiscal 2016. The increase in inventory was driven by 103 net new stores, the opening of the Dallas distribution center, investments in inventory to ensure high instock levels to support sales growth, and incremental inventory for new brands and the expansion of certain prestige brands.

The company ended the second quarter



of fiscal 2017 with \$272.9 million in cash and short-term investments.

On August 23, 2017, the company entered into a Second Amended and Restated Loan Agreement, which amended and restated the existing agreement. The new loan agreement extends the maturity of the facility to August 23, 2022, provides maximum revolving loans equal to the lesser of \$400 million or a percentage of eligible owned inventory, contains a \$20 million subfacility for letters of credit and allows the company to increase the revolving facility by an additional \$50 million.

Share Repurchase Program: During the second quarter, the company repurchased 462,421 shares of its stock at a cost of \$126.5 million. Year to date, the company has repurchased 647,088 shares at a cost of \$178.1 million. As of July 29, 2017, \$268.1 million remained available under the \$425.0 million share repurchase program announced in March 2017.

Store Expansion: During the second quarter of fiscal 2017, the company opened 20 stores located in Cartersville, GA; Chicago, IL; Columbus, IN; Dawsonville, GA; Escondido, CA; Fontana, CA; Garfield, NJ; Kissimmee, FL; Long Beach, CA; Machesney Park, IL; Marietta, GA; Middletown, RI; Naples, FL; Ocean City, MD; Pueblo, CO; Richland, WA; Rossford, OH; San Jose, CA; Towson, MD; and Waterbury, CT. The company ended the second quarter with 1,010 stores and square footage of 10,631,474, representing an 11.3% increase in square footage compared to the second quarter of fiscal 2016.

#### Outlook:

For the third quarter of fiscal 2017, the company currently expects net sales in the range of \$1,331 million to \$1,353 million,

compared to actual net sales of \$1,131.2 million in the third quarter of fiscal 2016. Comparable sales for the third quarter of 2017, including e-commerce sales, are expected to increase 9% to 11%. The company reported a comparable sales increase of 16.7% in the third quarter of 2016.

Income per diluted share for the third quarter of fiscal 2017 is estimated to be in

the range of \$1.63 to \$1.68. This assumes a tax rate of 37.5% and excludes any impact of the new accounting standard for share-based payments. This compares to income per diluted share for the third quarter of fiscal 2016 of \$1.40.

Ulta is raising its previously announced fiscal 2017 guidance. The company plans to:

- achieve comparable sales growth of approximately 10% to 11%, including the impact of the e-commerce business, compared to previous guidance of 9% to 11%;
- grow e-commerce sales in the 50% to 60% range, compared to previous guidance of 50%:
  - open approximately 100 new stores;
- remodel 11 locations and relocate 7 stores;
- deliver earnings per share growth in the high twenties percentage range, compared to previous guidance of mid-twenties percentage range. This includes the impact of the 53rd week, the impact of approximately \$350 million in share repurchases, and the impact of the tax rate benefit recorded year to date, and excludes any tax rate impact from the new accounting standard related to share-based payment for the rest of the year; and incur capital expenditures in the \$460 million range in fiscal 2017, compared to \$374 million in fiscal 2016. The planned increase in capital expenditures includes approximately \$80 million to fund prestige brand expansions.

Ulta Beauty is the largest beauty retailer in the United States and the premier beauty destination for cosmetics, fragrance, skin, hair care products and salon services. Since opening its first store in 1990, Ulta Beauty has grown to become the top national retailer providing All Things Beauty. All in One Place. The company offers more than 20,000 products from approximately 500 wellestablished and emerging beauty brands across all categories and price points, including Ulta Beauty's own private label. Ulta Beauty also offers a full-service salon in every store, featuring hair, skin and brow services. For additional information, visit ulta com

# government relations

# California Senate Bill 490 has been officially signed by the governor and chaptered by the Secretary of State.

Currently in California, commission is not recognized as a compliant form of compensation within the beauty industry for salon employees. Instead the state has expressed that salon employees should be paid legally in the form of piece rate compensation.

SB 490 will now allow salons the option to legally compensate their employees via commission as long as the employee is also paid two times the state applicable minimum wage per hour. The business owner will pay the break times based upon the two times the minimum wage amount, which will lessen their paperwork/administrative burden when compared to piece rate compensation.

This new form of compensation is OPTIONAL. This commission is not a mandatory form of compensation, the bill clarifies and allows for commission to be legally utilized as a form of compensation for salons in California.

The Oklahoma Department of Labor is starting a conversation on how to fix occupational licensing problems in industries across the state. Labor Commissioner Melissa Houston said this conversation starts by making sure everyone is on the same page with Oklahoma's Occupational Licensing Task Force. She said there is not a central place policy-makers can go to find whether licensing is necessary, what entity would be over the process or how the license would be implemented.

Centralizing this information is one of the goals of the task force, that's why they released a document recently, laying out a blueprint for policy makers and industry leaders when discussing possible licensing.

#### States are realizing it's stupid to make it hard to earn a living, commented the Conservative Review on September 22. It

writes, "Eleven states have joined a coalition to tackle licensing reform. This comes on the heels of a White House report and numerous third-party studies pointing out the problems with occupational licensure and containing suggestions for ways to reform the practice. Having to ask permission from the government to earn a living seems like an un-American idea, but it is only recently that people have started to think about this practice as oppressive and cronyist, instead of as a protective public safety measure." More at http://bit.ly/2wHI2vp.

**OPINION: Trump's Secretary of Labor** Acosta criticized occupational licensing regulations on three grounds: They create a barrier to people who want to work; impede mobility by anchoring people to places where they are licensed; and obstruct Americans who want to leverage technology to expand their employment opportunities. Acosta stated, "Certifying skills and specialized knowledge helps consumers. That is far different from using licensing to limit competition, bar entry or create a privileged class." Forbes, August 21, 2017

#### Licensing Cartels Targeted By D.C.

**Lawmakers:** There is growing realization in Washington, D.C. that occupational licensing has grown too large in both scope and scale. In light of this, Representative Darrell Issa recently introduced the Restoring Board Immunity Act to push state-level licensing reform. Companion legislation is sponsored in the Senate by Senators Ted Cruz, Mike Lee and Ben Sasse. In this interview. Rep. Issa discusses how federalism. cronyism and technology relate to the debate over the effect of occupational licensing on economic opportunity.—Forbes, August 24, 2017

For more information on government issues impacting our industry, visit futureofthebeautyindustrycoalition.com.





Now through Veterans Day, November 11, you can Help A Hero when you get a haircut at one of the 1,700 Sport Clips across the United States. The goal is to raise \$1 million for the Veterans of Foreign Wars of the U.S.-administered scholarship program. It provides up to \$5,000 of assistance to qualified individuals who have served in the military, are in need of financial assistance and are pursuing an education at postsecondary institutions, including trade schools. To date, Sport Clips' clients, team members and product partners have raised more than \$3 million, which resulted in more than 800 scholarships.

"Even though the GI Bill was updated recently, it still doesn't cover all the expenses many veterans have when they return from active duty and enroll in school. Privately funded scholarships are critical to numerous veterans when they seek further education," says Sport Clips Founder and CEO Gordon Logan, an Air Force veteran and VFW Life member. "This is one of the best ways we can say 'thank you' for what these men and women have given to our country."

Donations will be collected in stores and at local fundraising events. Sport Clips will also host The Biggest Haircut Day of the Year on Veterans Day, November 11, when the company donates a dollar for every hair service to the scholarship program. Participating stores will also offer free haircuts to service members and veterans with valid military identification. Visit sportclips.com.



Farouk Systems trucks hit the streets of Texas to help with hurricane relief.

Many beauty companies rallied together to help those impacted by the recent hurricanes.

▶ Farouk Systems, Inc.'s #Hairdressers4Hairdressers campaign held a nationwide cut-a-thon to raise money for the

#### **Professional Beauty Association's Disaster**



Dr. Farouk Shami. chairman of Farouk Systems, personally handed out products to help those impacted by the hurricane.

Relief Fund. with 100% of the donations collected going to relief efforts to help hairdressers restore their businesses and livelihoods

#### Chairman Farouk Shami also committed

\$5 million in products and tools to shelters, churches, organizations, stylists and salons.

According to Farouk, "Farouk Systems is committed to helping the people affected by these recent hurricanes and help our fellow hairdressers to reopen their salon doors. We would like want to thank our CHI Partner Schools and salons for participating in our cut-a-thons to help raise money for the PBA's Disaster Relief Fund, as well as our distributor **Armstrong McCall**, for helping to deliver our product and tool donations to stylists and salons devastated by Hurricane Harvey. Now, as a community of beauty professionals, we need to come together to help those in Florida. Your kindness and generosity during this time are greatly appreciated. God bless you all." To view his message, visit https://www.facebook.com/FaroukSystems

/videos/10155703260441663/.



Gino Barbo's Salon Service Group reached out to its manufacturers to help their customers in the Houston area affected by Hurricane Harvey. The Salon Service Group's



Jim and Cheryl Markham

**Ucare Foundation** exclusively supports stylists who need help due to unforeseen medical conditions or emergency financial situations. Gino matched all donations.

Jim and Chervl Markham, founders of ColorProof Color Care Authority, donated \$25,000 on behalf of their company to the Ucare Foundation for hurricane relief.

**Keune Haircosmetics North** 



America contributed \$10.000 worth of travel sizes of shampoo and conditioner to help salons and stylists in Houston.

Roux donated 1,200 packette duos

of its Rejuvenating Keratin Strengthening Shampoo and Conditioner.

**Innersense Organic Beauty's** co-founders Joanne and Greg Starkman donated two

pallets of its organic Pure Harmony and **Color Awakening** 



Palettes of products leave the Innersense warehouse.

Hairbath and Pure Inspiration and Color Radiance Conditioner with a retail value of \$60.000 to the Austin Disaster Relief Network, a non-profit that works with the Red Cross.

The Professional Beauty Association's Disaster Relief Fund assists salon professionals in rebuilding their lives following the devastation of a natural

disaster. Since the fund's inception, beauty professionals have donated almost \$2 million to help thousands of professionals in their time of need, and 100% of funds donated go directly to beauty industry professionals. Professionals do not need to be a PBA Member to apply for or donate funds.

The PBA Disaster Relief Fund provides quick cash for short-term, immediate needs such as clothing, food, bills and more for those affected by natural disasters. To ensure PBA can help as many beauty professionals as possible, the Fund is not able to aid with the long-term rebuilding of salons.

For hurricane relief, Great Clips donated \$50,000, **Sport Clips** contributed \$10,000 and Joico added \$8,500 to the fund. Paul Mitchell Schools raised money for the Andrew Gomez Dream Foundation, which was donated to PBA's Disaster Relief Fund. The schools' goal is to raise \$200,000.

In Florida, the Centre for Beauty, based in Largo, FL, donated 10% of all Free Fright Friday orders to the Cajun Coast Rescue **Group.** This is a group of men and woman who leave their full-time jobs (without pay) to volunteer in times of need. In addition, CJ Murray, owner of the distributor that's all about feet, personally matched the donation.

"The donation totaled \$1,000.00, including \$400.00 from sales, \$400.00 from myself personally and a generous donation of \$200.00 from Kelly Huether, owner of Life of Riley Salon Supply, my business partner and landlord, who read my articles and wanted to help," says CJ. "I'm a small business and I know my donation amount does not compare to the hundreds and thousands of dollars other larger distributors can give. But, I'm happy and proud to give what we can. I know some of my clients placed orders that day just because of the donation opportunity. I am grateful for their business and even more grateful that was the day they decided to order. Our beauty community is a generous, giving and supporting community."

Also in Florida, Ratner Companies' Hair **Cuttery** and **Salon Cielo** Florida locations offered a free shampoo and blow-dry to those affected by Hurricane Irma.

"Our thoughts are with all those impacted by Hurricane Irma and its aftermath," said **Dennis Ratner.** founder and CEO of Hair Cuttery. "To support our Florida family, we encouraged all Floridians to come out to their neighborhood Hair Cuttery or Salon Cielo to receive a complimentary shampoo and blow-dry, and take a moment to unwind."

To support the nearly 1,500 associates working in Hair Cuttery and Salon Cielo locations throughout Florida, many of whom were affected by Hurricane Irma, all 12,000 Ratner Companies associates participated in a week-long internal fundraiser. Ratner Companies matched the amount collected to create a special fund to provide much needed assistance to those affected. Visit ratnerco.com.

Scott Cox, owner and president of **BeautySales**, a full-service distributorship in Southern California, is leading an effort to collect clothes, beauty supplies, gift cards and more for people who lost their homes in the Northern California Napa fires. To contribute, reach Scott at scott@beautysales.com.

#### **ColorProof Color Care Authority** sponsored the Hual lai 'Ohana Foundation

at their 13th Annual Golf & Auction Event. the foundation's primary fundraising effort each year. The Foundation supports the educational goals and medical needs of the Four Seasons Resort Hual lai employee families, while providing residents the opportunity to contribute to the community.

ColorProof Founders Jim and Cheryl Markham, along with International Creative Director, Phillip Wilson, and Director of Education, Mary Wilson, attended the event which began with a golf tournament at the Keolu course, followed by an evening of dinner, dancing and a silent auction. As a President's Club sponsor, the brand provided a monetary donation to the foundation that since its inception has awarded more than \$3.9 million for education needs and \$900.000 in medical assistance. Visit colorproof.com.

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#### The Beauty Industry Report a monthly newsletter for executives in the professional beauty business

#### As **Beauty Industry Report went**



to press, Scruples **Professional** Salon Products. Inc. announced its merger with Basim Shami's **Beauty Elite** Group. The new

Basim Shami

entity is called **Scruples** Holdings Inc and is located in Lakeville, MN. Basim will serve as CEO of the newly formed entity. Scruples' Tracy Liguori, co-



Tracy Liguori



Mia Liguori

Michael Riley, chief operating officer, will remain in their current roles for the new company. More next month.



business; and

Michael Riley

### last minute blasts

The 22nd Cosmoprof Asia Hong Kong takes place November 14-17, 2017 under the banner of "One Fair. Two Venues." The AsianWorld-Expo has been rebranded as CosmopackAsia and hosts companies representing the entire cosmetics supply chain, including raw materials and ingredients, contract manufacturing and private label, machinery, and primary and secondary packaging. It runs November 14-16 at the Hong Kong International Airport, Lantau.

From November 15-17, the Hong Kong Convention and Exhibition Centre will host Cosmoprof Asia, featuring exhibitors of finished products, including cosmetics and toiletries, natural and organic, beauty salon, hair salon and nails and accessories. The event also includes the Cosmoprof Asia Spa Conference on November 15-16. Visit cosmoprof-asia.com/en-us/

**ICMAD**, the **Independent** Cosmetic Manufacturers and **Distributors.** will host its annual CosmoProf Asia cocktail reception on Wednesday, November 15, from 6:30 to 8:30 p.m. Admission is complimentary and RSVP is required. Contact Donna Hoye at 214-550-8196 or dhoye@icmad.org.

The Professional Beauty **Association's Annual Executive Summit, "Forecasting Consumer** Trends and Behavior," takes place December 6-7, 2017, in Scottsdale at the Omni Scottsdale Resort at Montelucia. Content will highlight key disruptive forces affecting beauty business models and profitability, and address how to capitalize on rapid change to differentiate and remain relevant.

Kevin Otero, partner at **Simpactful Beauty** and former vice president at P&G, will speak on how digital disruptors are changing the beauty landscape, why millennials' shopping habits are changing consumer expectations and how to navigate specialty beauty stores. In "Matter," Peter Sheahan, founder and group CEO of Karrikins Group, will discuss how to create more value, move beyond the competition and become the obvious choice. Mike Walsh. "CEO of Tomorrow," will share how to anticipate the needs of your future consumer base. Finally, Steve Sleeper, PBA executive director, will give the PBA and Industry Update. Visit probeauty.org.

**Beauty Industry Report is** compiling our 2018 Show, Conference, Special Event and Class Calendar. Please send your event's name, date, location (city, state, facility name), contact with phone, email and website to Liz Messaro, executive editor, at liz@bironline.com. See our 2017 calendar at bironline.com.

#### The Final Word

"Having a salon IS hard work. Effort makes the difference every single day. I do it because I believe in this industry, and I love the people in it. Then, it no longer becomes hard work. It transforms into meaningful work."—Rowena Yeager, director of inspiration at Studio Wish Salon, and life coach at Rowena Yeager Coaching

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