

BY BRIAR JENSEN

natural solutions

WHEN SUE ISMIEL'S DESIRE TO FIND A NATURAL REMEDY FOR HER DAUGHTER'S DARK HAIR PROBLEM LED TO A 'GREEN GOO' IN HER KITCHEN, SHE HAD NO IDEA IT WOULD BE THE START OF A MULTI-MILLION DOLLAR BUSINESS THAT WON HER ERNST & YOUNG ENTREPRENEUR OF THE YEAR 2002.

Sue's family migrated to Sydney from Syria in 1974. Sue was 15-years-old and spoke no English. Previously a positive child with high expectations and dreams of success, life changed dramatically. She was the target of racial abuse and attacked on the school bus. Despite this being one of the lowest points in her life, looking back Sue believes, "It made me strong. I was determined to succeed and prove the critics wrong."

Today Sue's company, then Nad's Pty Ltd, was ranked number 11 in BRW's 2001 'Fast 100'. In 2002 she won the National Business Bulletin's Business Star of the Year, the Sydney Business Review's Businesswoman of the Year and the Ernst & Young Entrepreneur of the Year for the Retail, Consumer and Industrial Products Category.



MY GREATEST PLEASURE AS A RESULT OF ALL THIS IS THE FACT THAT I KNOW I HAVE DEMONSTRATED TO MANY WOMEN AT LARGE, THAT THEY CAN ACHIEVE ANYTHING THEY WANT IN LIFE BY BEING HARD-WORKING, DETERMINED AND FOCUSED

In 1991, in response to her second daughter's need for a depilatory cream that didn't irritate her skin, Sue started experimenting in her kitchen. Without any scientific training and using only natural products from her pantry, it took a year of trial and error before she finally made a 'green goo' which included water, sugar and lemon juice. Applied in the same way as traditional waxes, it required no heating and included no chemicals. Sue had achieved her goal.

She had no intention of selling the product, however, as the kitchen remedy became more widely used by family and friends, demand grew, and it became obvious she had a commercial product.

Her first thought was to sell it to a big cosmetic house so she approached the likes of Revlon and Nutrimetics. "I thought they would have taken on the whole thing and offered me some sort of royalty." But they weren't interested.

Believing there is always a positive out of every negative, Sue decided to manufacture and sell the product herself. She got approval for a home-based business, gave up her hospital job and commenced manufacturing from her garage. She invested her \$5000 long service payment in packaging for Nad's Natural Hair Removal Gel.

Sue started selling at a local market. After the first two hours, when no one had approached her stand, she realised she had to 'sell' the product. This was a huge step for Sue. "I couldn't even sell school raffle tickets." But she started approaching people, discussing the product and demonstrating it on her sister. By the end of the day she had sold-out 150 units.

Using the power of communication Sue continued to sell Nad's through markets and shopping centres, eventually employing reps to widen her coverage,

both in Sydney and interstate. Sam her husband left his own job to take on the production.

The turning point for Sue came in 1993 when she did an infomercial. "I saw someone demonstrating a food processor on one of the morning TV shows, and I thought, 'I have a better product than him', so I picked up the phone and spoke to the producer." For an investment of \$5000, Sue walked into the studios of Channel 10 to demonstrate her product. "I was so nervous I was shaking."

When the segment went to air, it was a phenomenal success. The telemarketing lines jammed, so people started phoning Channel 10, jamming their lines too. The result, 3000 units sold-out in four minutes.

"That was just amazing," says Sue, "It gave me complete confidence in what I was doing, in the product I was presenting to the market place, and in my

ability to communicate. So I built on that. I continued going back and demonstrating on national television and investing in the direct market. I did that from '93 to '97."

Also amazing is, apart from initial packaging costs, Sue's business has been self-funded; she has never had to approach a bank for money. In fact quite the opposite. "Banks have been knocking on my doors for years offering their money."

In 1996 Sue experienced her first major set back when one of her interstate managers embezzled \$50,000. Because of this, and a loss of family balance through constant travelling, Sue decided there had to be a better way.

So in 1997 she entered the retail market. She engaged a broker and

the story behind the product, its key selling points and its success in Australia.

'Aussie Nad's' took off, as Sue remembers, "By 1999 the infomercial was rated in the top 50. In early 2000 it reached the top 10 and in June 2000 it was rated number one America wide. By that stage I think we were airing 1000 times a day."

In 2000-2001, Nad's had a turnover of \$34.7 million. Then came the events of September 11. For the following six months the company couldn't communicate with its US consumers. Sue had to think quickly before brand recognition was lost. Following the same strategy used in Australia, she entered the retail market and is currently in over 20,000 outlets.

"These are the sorts of mistakes I made because I had no business knowledge, no business skills and no mentors." But she notes, "The knowledge and achievement as a result of these mistakes have helped me immensely and been of great benefit to the business. While you make mistakes you learn."

One major error was not documenting an agreement regarding future expansion of production facilities. When the company experienced the rapid growth of the US market the existing factory was unable to expand quickly enough, forcing Sue to outsource production.

"It was a classic family-value decision versus business decision. It really affected me emotionally for a long time." Sue believes this decision was made

13

SUE'S SUCCESS TIPS

- Positive attitude is priority number one.
- Believe in yourself. Believe in what you do and in your ability to succeed.
- Have courage. Courage to pick up the phone. Courage to ask questions. Without courage you can't move. Just do it!
- Set goals. Have a clear vision and a plan to reach it.
- Discipline yourself. Get up at 6am if necessary.
- Surround yourself with positive people.
- Be creative.
- Think big. You can do so much more in a world market.
- Operate in an honest, loyal and ethical way.
- Have empathy for others. Put yourself in someone else's shoes.
- Dress well, look good, and feel great. Women need to do this.
- Finally, enjoy what you do. Have fun. Life is too short.

THE KNOWLEDGE AND ACHIEVEMENT AS A RESULT OF MY MISTAKES HAVE HELPED ME IMMENSELY AND BEEN OF GREAT BENEFIT TO THE BUSINESS. WHILE YOU MAKE MISTAKES YOU LEARN.

approached supermarket chain, Woolworths, eventually signing a contract with three months exclusivity. In January '98 the product won Woolworths' Best New Line Award, despite, at \$20, being their most expensive depilatory item.

"Then Coles knocked on our door, so we entered Coles in January '98. Then we introduced the product to pharmacies Australia wide, then health food stores. We now have almost 100 percent distribution [in category] in our domestic market."

Production out-grew the garage and moved to a factory in Riverstone.

In 1998 Sue entered the US market. Together with an American agent she made a half-hour infomercial covering

The company now exports to North and South America, New Zealand, Japan, Europe, Asia, and the Middle East. Sue says, "People have the same needs, the same problems. I took it upon myself to solve the problem of unwanted hair around the world."

But there have been mistakes along the way. "Sometimes I wanted to run before I could walk. I remember flying over to America and wanting to get on QVC channel when I was only producing 150 units [per batch] from my garage. And one segment would demand 50,000 units. When I was knocked back I was devastated. But I was knocked back for a reason, because I wasn't ready.

PEOPLE HAVE THE SAME NEEDS, THE SAME PROBLEMS. I TOOK IT UPON MYSELF TO SOLVE THE PROBLEM OF UNWANTED HAIR AROUND THE WORLD.



more difficult because a previous verbal agreement had not been documented. "Legal documents are the way to go. The handshake just doesn't work in today's world."

The company is now diversifying. New lines include Wyld for Women and Wyld for Men, herbal tablet supplements that promote energy and wellbeing, and Nad's Natural Head Lice Products. Consequently, there have been some growing pains. "Eighteen months ago we had one product, today we have ten." This has meant expanding their headquarters and adding more staff to the current team of 26.

Sue doesn't use recruiting agencies. "I really need to select people myself and make sure the team agrees, because it is about team effort. Every person in here has worked with someone within the organisation or been recommended to us."

One of Sue's key roles is inspiring, developing and looking after team members, which she does through regular meetings where they discuss the daily, weekly and monthly objectives, as well as the big vision. Staff also receive performance-based incentive bonuses.

"I do see people's weaknesses within the organisation, but it's very hard for me to dismiss a person. I'd rather work with them and develop their skills."

Recently, the company name changed to Sue Ismiel and Daughters, reflecting the involvement of Sue's children. Nadine, a biochemist, oversees research and

development. Natalie, a model, handles marketing and remains the 'face' of Nad's advertising. Naomi, who did HSC in 2002, plans to do art, and Sue hopes she will fill the company's need for a graphic designer. Husband Sam handles inventory and warehousing while Sue concentrates on growth and expansion. "My desire is to have an Australian-based, global organisation that supplies the world with natural products to enhance the lives of women and their families."

when women's rights were almost non-existent, while looking after her family and disabled husband. "I think she is my role model. For her to be able to do it at that time, in that part of the world, under those circumstances, if she could do it, anybody can do it."

Sue is now a role model in her own right. "My greatest pleasure as a result of all this is the fact that I know I have demonstrated to my daughters, to the younger generation of women, and to

WHEN I WAS KNOCKED BACK I WAS DEVASTATED. BUT I WAS KNOCKED BACK FOR A REASON, BECAUSE I WASN'T READY

Women and children are also the focus of Sue's philanthropy. "I'm in a financial position where I can help in a big way ... where I can make a real difference. One day I woke up and thought, 'I sponsor one kid, I can sponsor more than one kid', so I picked up the phone and called the Christian Children's Fund and asked for 100 kids."

Her biggest project is the Sue Ismiel study into women's health and hormones. Conducted by the Jean Hailes Foundation in Melbourne, the world-first study will probe the link between female hormones and depression.

During difficult times Sue draws inspiration from her Grandmother, who built a retail food business in Syria,

many women at large, that they can achieve anything they want in life by being hard-working, determined and focused."

Now a member of the Australian Businesswomen's Network, and inducted into their Hall of Fame, Sue mentors others, and believes the support offered by the ABN is invaluable. "They provide the skills that a woman needs, whatever level of business she is in ... the networking opportunity is extraordinary."

Intuition plays part in Sue's decisions, but only when it is backed up with facts. However, she is a big believer in fate. Fate she was turned down by the big cosmetic houses. Fate the agent she spoke to in the US had heard about Nad's. Sue has proved her critics wrong.