

At American Culture, it's all about the keratin

Lou and Doreen Guarneri operate **American Culture**, a salon industry best-kept secret, in spite of the fact that this hair care company markets two keratin smoothing systems and other products through the largest distributors in the industry. *Beauty Industry Report (BIR)* recently interviewed Lou to get the inside story on this growing company and learn more about the new innovations that his team has planned. **BIR: Lou, please introduce American Culture to BIR's readers.**

Lou Guarneri (LG): Three generations of our family have worked in the professional beauty business for more than 60 years, and the fourth is waiting in the wings. We have experience on all levels of the industry. My wife, Doreen, and I are both hairdressers, and we operate an active hair salon called **American Culture's THE LOOK, the salon.** Doreen works behind the chair. The salon is used for product development and testing. As a result, we understand what our customers want and need, because we stand in their shoes every day. As stylists, we see what helps us grow our business, and as salon owners, we appreciate the services and products that help set our business apart and grow our bottom line. The beauty industry is who we are.

At American Culture, our vision is to continue to pioneer quality products and revenue-making services for hairdressers and salons. To that goal, we are committed to advancing the keratin treatment category. American Culture evolved in 2001. We had been distributing major brands for years. Around the time of the acquisition of **ARTEC** by **L'Oréal** that resulted in our losing the line, we knew that we had more to give to the industry. We always put our hearts and passion behind companies we supported. That's just how we work! Becoming a manufacturer was always the course we were on. Learning and experiencing all the facets of our industry is how we became American Culture. Today, we no longer operate a distribution business, but instead, focus on both our manufacturing and salon businesses.

We market two keratin brands—**Simply Smooth** and **Pure NV BKT**—two smoothing

services in what's become the new "smoothing" service for salons. In addition, we're very excited to preview **Pure Color**, a 90% botanically-based, keratin-infused hair color line in Las Vegas this summer at **Cosmoprof**. Through acquisitions of the companies that were distributing our products, today we are enjoying an evolving relationship with the two largest salon product distributors, **Beauty Systems Group (BSG)** and **SalonCentric**, as well as leading independently owned distributors.

BIR: Tell me about the evolution of keratin treatments from a market perspective.

LG: Traditionally, the straightening category consisted of thio- or lye-based relaxing creams. Keratin was introduced through Brazil with formaldehyde bases. What is such a breakthrough with Simply Smooth and Pure NV is that they enhance any—that's right, any—other chemical service by fixing the keratin depletion from the chemical service. That is a huge breakthrough as a service, because we can do all the wonderful techniques we do, and make the hair feel practically virgin again!

Think of the category's evolution this way: Thirty-five years ago, highlighting was called frosting and it hardly existed. Today, it's a dominant part of the hair color category. Thirty years ago, manicuring consisted of a polish change. Now, we see an entire industry of nail salons offering menus of hand and foot services. It's the same with keratin treatments, but the evolution into a unique hair smoothing category has been faster.

For American Culture, the hair smoothing category includes a range of shampoos, conditioners and styling aids built around maintaining and replenishing keratin in the hair. It works for any and all clients, even if they have not had a treatment. Whenever someone is trained in performing the services, it really enhances their practice and their income soars. I really believe we have barely tapped this market. These services are generating new revenues to build salons' business—recession or not. The industry is fashion; the clients are reading and becoming educated in achieving the latest for beautiful hair. The consumer is growing this category by asking for it. Stylists

love to see they can achieve "magazine hair."

BIR: What's the difference between your two keratin brands?

LG: We make two types—Simply Smooth and Pure NV BKT—for different salon choices. Simply Smooth is a larger, more expansive product line made predominately with human hair keratin. It has a larger distributor network. Pure NV is marketed with very earthy ingredients, fragrances and plant keratin. Our distributors and salons told us that they wanted those options, so we gave them what they asked for.

BIR: What else is generating excitement?

LG: We are having great results with a new product called **After Color Lock** under our Simply Smooth brand. It's a mini treatment and it takes no more time than a blow out. It is a new add-on service based on a blend we made of keratin and collagen. One 8-ounce bottle can generate \$800.00 to \$2,500.00 in service revenue. After Color Lock locks in color, giving clients four weeks of luxurious hair. It creates shine, reduces volume, texture and frizz, and repels humidity. What's so great is that it doesn't need to be pre-booked. It provides an option created for stylists to put keratin back into their clients' hair between treatments. Stylists charge \$25.00 to \$80.00 for the new service.

BIR: Pure Color, your 90% botanically based keratin infused hair color line, sounds intriguing. Please give BIR's readers an overview.

LG: American Culture is excited to bring Pure Color to market this July during Cosmoprof under the Simply Smooth brand. Every shade is double dye loaded, plant-keratin-based and loaded with technology! It is 90% botanically based and nano-pigmented. Our technology allows for more color molecules to bond inside the cortex of the hair. They are smaller, which means we do not need to upset the cuticle layer, as we have in the past. Our color does not fade and does not release keratin, like past technologies do. Everything we create has the keratin treatment in mind. We make new products taking into consideration, that at some point, everyone will be receiving these services!

BIR: You've mentioned several interesting service products. Do you also offer care and styling products?

LG: Both our brands include support products. These replenishing products will maintain the treatment applied to the hair; however, anyone will benefit from our products. We make shampoos and conditioners in different fragrances, so clients can switch for variety. A full line of styling and finishing products is also offered. All of these items will support and replenish keratin in the hair and are color safe.

BIR: As a manufacturer, do you also produce products for other hair care companies?

LG: Yes, we do private label for a number of hair care companies. We not only make the products, we offer video production, marketing, product and package design, and testing. Once we complete our expansion into our new 65,000-square-foot facility, we will offer inventory storage and shipping.

BIR: Because of the size of Beauty Systems Group and SalonCentric, a number of hair care marketers avoid doing business with these super-sized distributors for fear of getting lost in the crowd. However, your company is not only doing business with them, you are one of the few vendors that does business with both organizations. What is your secret for success?

LG: The beauty industry is broken down into five segments: Beauty Systems Group, SalonCentric, corporate chain salons, international distribution and a segment made up of the remaining U.S. distributors. We are fortunate to do business with each of those segments. In addition to BSG and SalonCentric, we sell through a distribution network consisting of **RG Shakour**, **Peel's Salon Service**, **Raylon Corp.**, **Goldwell of New York** and more. Our international distribution consists of master distributors who represent us in specific countries. They select local distributors.

BIR: Tell me about your education programs.

LG: Doreen creates the education map. She'll be writing a monthly Q&A column on keratin products in the *BE magazine*. Doreen has been training for years and has found a way to reach stylists by creating visuals and analogies to help advance the education process. We approach education as an "exchange of knowledge." We're so proud of the compliments we receive from stylists and

American Culture has innovated new smoothing and hair color salon services and support products all built around maintaining and replenishing hair's keratin.

distributors regarding our education. Our distributors utilize a core staff trained internally by Doreen. It helps our education be consistent. I think stylists like that we do what they do.

BIR: I understand American Culture will be launching its first Master Keratin Artistry training at Cosmoprof. Tell me about it.

LG: The training will take place July 18-19 in Las Vegas. We envision stylists becoming master-artist certified in the art of keratin. They will receive a plaque upon completion. There will be a rotation of education that moves around the room. They will visit

different educational stages that provide them with all the new services we have pioneered and how to execute them properly. We will have fun, and they will learn things they never imagined they could do. They need all the information to provide the best consultation to steer them to the correct keratin service. Stylists can call our hotline at 888-333-6563.

BIR: What are some of the challenges in introducing a new service category?

LG: I think the greatest challenge is education. It takes a lot of time and money. When stylists get it, their income really increases. We really push the distributor to have trainings for support, as well as focus programs to have the DSCs understanding the category. It's working!

BIR: How do you help salons market your services and products?

LG: As we develop services and products, we support salons with literature, tent cards and mirror clings to help stylists communicate with their clients. That is particularly important for salons pioneering these new services.

BIR: What is the salon industry's biggest challenge in 2010?

LG: Greed and politics. The executives at the manufacturer level believe increases in sales come from repackaging. They stick the distributors with old packaging or cut the distributors off in search of the next opening order. The only way for our industry to solve that problem is to stop recycling the "has been's" or the "never was." The culture between the distributor and the manufacturer needs to change.

BIR: Who have been your mentors?

LG: I have had the fortune to have been exposed to two of the greatest beauty innovators as a teenager. Both **Arnold Miller**, the founder of **Matrix Essentials**, and **Bob Malin**, the owner of **United Beauty** were influential in shaping my career. Arnie told me to go about life one day at a time, remain consistent and be persistent. Bob told me to wake up each day, work toward enhancing your business and concentrate only on your business. Your competitors should never be your concern.

To learn more, reach Lou and Doreen Guarneri at 888-333-6563 or louis@americanculturehair.com, and visit www.americanculturehair.com.