

Robanda's brand strategy leads to 20% annual growth

Using aggressive marketing and smart acquisitions, **David Leib** has built **Robanda International** into a fast-growing company. At the recent **Cosmoprof North America**, Robanda, in addition to launching numerous products and previewing promotions for its many brands, presented a re-branded **Jingles** line by launching **ProRituals** hair care and color. **Beauty Industry Report (BIR)** met with David to find out the inside story, and we are pleased to share it with **BIR's** readers. **BIR: Welcome, David. Please give BIR's readers an overview of Robanda International.**

David Leib (DL): Robanda is a multi-brand company that has something for a wide variety of organizations in the professional beauty marketplace—our core customer base includes full-service distributors, nail dealers, OTC beauty store chains and independent store operations. We also do about 15% of total sales in private label. In addition, we have experienced strong growth with **Sally Beauty** over the past few years.

When we launched the company, we initially created our own skin care line, but quickly realized that the way to fast growth was through acquisitions. We acquired **Jingles** in 2001, **Mr. Pumice** in 2003, **Bodyography Cosmetics** in 2007, **Realys** (Tropical Shine) in 2007 and **Marilyn Brush** in 2009. Now, we are so excited about our new **ProRituals** line, which features phenomenal formulas, awesome packaging, great hair color and a new education team.

BIR: Tell me about your team.

DL: We have 38 employees with the key members being **Anthony Leib**, vice president of sales; **Shawn Russell**, international sales director; **Anita Zappacosta**, national sales director; **Janusz Ramotowski**, operations director; **Delores Duenas**, office manager; **Martha Guerra**, purchasing manager; and **Glen Hawkins**, general manager, nail file division.

BIR: What is your company's philosophy?

DL: We are 100% service driven; everyone here understands that the customer pays their salaries and our goal is to grow each brand.

BIR: What did you see in the professional beauty marketplace that indicated there was an opportunity for Robanda?

DL: The opportunities we originally saw have become even more evident today. We are able to provide new boutique brands and fill the void created by big company acquisitions.

BIR: What is your vision for your company?

DL: We have become a global company with our brands now found in more than 40 countries worldwide. Our vision is to expand the base for all of our brands worldwide, and also to continue to grow within the United States, the world's largest personal care market.

BIR: What is your company's mission?

DL: To offer the finest quality beauty products strongly demanded by consumers and unparalleled customer service that reaches

far and wide.

BIR: In this crowded marketplace, what is Robanda's point of difference?

DL: At Robanda, we are obsessed with perfecting our formulations; they're what bring the customer back time and again. Combine that with excellent packaging, education, lots of promotional support and advertising, and we have a formula that works for everyone.

BIR: Do you have a flagship brand, and why is it so successful?

DL: Each is equally important to us. However, we are fortunate that several of our brands are leaders in their categories. For example, **Mr. Pumice** is key to the Asian nail distributors, **Marilyn Brush** is an important tool for stylists and **Tropical Shine** nail files are beloved by both nail technicians and consumers. Our dry shampoo, **Batiste**, is easily the brand leader in the professional beauty segment. In spite of all of these leaders, I believe that **ProRituals** hair care and color will be our biggest brand by far within three years.

BIR: How can beauty stores maximize sales of your products?

DL: We encourage the use of our displays—we provide free testers for all of our products. Our new **Bodyography** self-service floor display, which debuted at **Cosmoprof North America**, is a huge hit.

BIR: What is Robanda's greatest accomplishment in the last five years?

DL: We have been able to maintain annual growth in excess of 20%, even in the difficult economic climate of the past two years.

BIR: I understand you have a strong international business. Please tell me more.

DL: **Shawn Russell** heads up international sales, and our growth has been explosive worldwide, as we have penetrated various markets with different brands. We recently began doing business in **Brazil**, which is very exciting because it's one of the top beauty markets worldwide. We are currently negotiating several important contracts, including **India**, **Mexico**, **South Africa**, **Korea**, **Singapore** and **Russia**.

BIR: What suggestions would you give to others looking to expand globally?

DL: Be patient...and learn all the legal requirements with regard to product registrations, packaging, etc. Participate in the key international shows to grow your business.

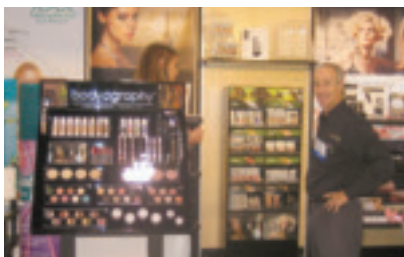
BIR: How are you structuring ProRituals' distribution?

DL: We have 28 **ProRituals** distributors. We are requesting exclusive contracts with set goals for years 1, 2 and 3. We do still have a number of open territories where we want to partner with the right distributor. Having a beautiful brand like **ProRituals** is going to enable us to play in the big leagues.

BIR: Describe your ideal ProRituals distributor partner.

DL: Ideally, we look for distributors where we will be their No. 1 or 2 line—we don't want to be the last out of the salon consultant's bag. They must commit to extensive education—that is how we plan to drive the brand. Our philosophy is to have a small, but highly qualified team of educators.

BIR: With ProRituals, I would imagine



David Leib oversees a variety of brands at Robanda International.

striving to partner with salons is a major goal. Tell me about your plans.

DL: We sell this brand exclusively through a network of distributors, and we are emphasizing to our distributor partners that ProRituals gives them the ability to target the top A salons in their territory. For the image of the brand, we obviously want to see ProRituals in leading salons nationwide. We have also recently partnered with an exclusive school distributor to focus on Marilyn, Bodyography and ProRituals, again targeting only the top 10% of schools.

BIR: You purchased Marilyn Brush more than 18 months ago. How is that turning out?

DL: In the first six months, we set about fixing everything—being 100% in stock, creating great point of sale material and planning new brushes and promotions. I'm delighted to report that many distributors have now come back to the brand, and it's showing tremendous growth. Marilyn Brush, as a two-time winner of the Stylist Choice Award, has a cult following among stylists, so it was relatively easy to put this great brand back on track.

BIR: What else is new or hot in your line?

DL: ProRituals is now shipping after 18 months of hard work—it's gratifying to see the amazing response to the new brand.

Distributors who placed their opening orders are calling for urgent repeat shipments of their first order, most within one month. Within Bodyography, we are launching **Tinted Moisturizer** in three shades, the fall collection is called **Gypsy Eyes** and our top selling **Clear Primer** will be on promotion in a travel size tube. In Marilyn Brush, we just launched an ergonomic brush called **Futuro** for stylists

with carpal tunnel and in November, we are launching the revolutionary patented Twin, which is two brushes in one. With our hot Batiste Dry Shampoo, we are launching two new formulas that spray out brown and black for colored hair and a new fragrance called Diva. Within Mr. Pumice, the new mini disposable **Pumi bars** are selling very well.

BIR: What type of educational programs do you provide, and who is in charge of this

“We are obsessed with perfecting our formulations—they’re what bring the customer back again and again.”

important aspect of your business?

DL: Training of the distributors' sales forces is handled by our reps and sales director. For training stylists, we have an education team that's co-ordinated by each brand manager. For example, ProRituals and Marilyn Brush share the same group of educators. They are leading stylists who are knowledgeable in their trade. Bodyography has a separate team of



The new ProRituals line is now shipping after 18 months of development.

educators, mostly top makeup artists. We recently implemented an education allowance (a 5% discount) for our full-service brands. Each distributor uses those dollars to contract directly with the educators.

BIR: At your company, what role do salon trade and distributor shows play?

DL: Shows are a critical component of our growth plans. For the major salon shows, including the **International Salon & Spa Expo**,

America's Beauty Show, Premier Orlando, etc, we partner with the distributor in each area. Sometimes, that means our brands are found at several different booths, but we support the distributor with educators and sales staff. We do the shows for distributors, like the **WBRA's Western Buying Conference**, **the Northeast Beauty Rep Association's NEBRA show** and **Cosmoprof North America**, ourselves, and we get great support from our independent sales reps. On the international front, we do about three shows, including **Cosmoprof North America**, annually.

BIR: Tell me about your organization's online marketing initiatives, including social networking sites, such as Twitter, My Space, YouTube, Facebook and LinkedIn?

DL: That we leave in the capable hands of **Audrey Butler**, our in-house PR representative. All of our major brands, including Bodyography, Pro Rituals and Marilyn Brush, are supported with Facebook, Twitter and YouTube, which are fed by a strong fan base. Our social networking communities see daily activity and growth, and fans learn firsthand about brand updates—sometimes faster than by any other medium because it happens instantly. The dialogue we maintain with our fan base is a direct link to our loyal customers, and those relationships are rewarded with contests and regular giveaways. We look forward to seeing tremendous growth in our social networking communities.

BIR: What's your company's biggest challenge going forward?

DL: We want to ensure that even though we continue to experience dynamic growth, we still stay true to our core values, and continue to provide the same excellent service to our customers.

BIR: What inspires you?

DL: My family, and as I approach the big 5-0, enjoying life to its fullest.

BIR: What would BIR's readers be surprised to learn about your company?

DL: We were the 19th fastest growing company in San Diego and placed within the top 1,500 fastest growing companies nationwide, according to the **INC. 5000** list.

To learn more, reach David Leib at 800-783-9969 or david@robanda.com. Visit www.robanda.com.