

# SalonCentric partners with salons for success

As president of **SalonCentric**, **Paul Sharnsky** oversees one of the largest distribution organizations in the U.S. professional salon



community. SalonCentric was created in 2008 from a strategic commitment that **L'Oréal USA** made to further its mission to gain closer proximity to the salon community while

continuing to provide them with the best products, service, training and education for professional and personal success. Since then, the company has grown to become one of the industry's premier distribution businesses through a series of acquisitions of successful distributorships in targeted territories. **Beauty Industry Report (BIR)** recently spoke with Paul, as well as his senior management—**Tim Forbriger, Chris Turner and Wayne Taylor**—for an update on this powerhouse.

**BIR: Paul, SalonCentric has been expanding rapidly, so please bring BIR's readers up-to-date on what's happening at your company.**

**Paul Sharnsky (PS):** SalonCentric was created in 2008 following a series of acquisitions that provided a strong store organization and distributor sales consultant network. Since then, we have acquired a number of legacy companies, including **Beauty Alliance** headquartered in Clearwater, FL; **Maly's West** in Valencia, CA; **Columbia Beauty Supply** in Charlotte, NC; **Idaho Beauty & Barber** in Boise, ID; **Maly's Midwest** in Grand Rapids, MI; **Marshall Salon Services** in Dixon, IL; and **CB Sullivan** in Manchester, NH.

SalonCentric takes a multi-line, multi-channel business approach with professional salon brands through hundreds of store locations and field sales activities. The company distributes, among others, **CND, Essie, Farouk, Framesi, Kenra, L'Oréal Professionnel, Matrix, Mizani, Moroccanoil, OPI, Pravana, Pureology, Redken 5th Avenue NYC, Sexy Hair and TIGI.**

**BIR: What's the difference between Beauty Alliance and SalonCentric? Many use those two interchangeably.**

**PS:** As Beauty Alliance was the first acquired company and our largest acquisition, many

people refer back to it as the main company. In fact, SalonCentric is the company that is a collection of multi-line distributors, Beauty Alliance being one of this group.

**BIR: Tell me about your team.**

**PS:** SalonCentric has more than 3,300 employees and services salon professionals through its network of 1,150 distributor sales consultants and 700 stores. Our management team includes **Tim Forbriger**, executive vice president of business development; **Wayne Taylor**, vice president of store operations; and **Chris Turner**, vice president of marketing, along with other key individuals.

**BIR: What is your company's philosophy?**

**Chris Turner (CT):** SalonCentric provides salon professionals with unsurpassed service through a national network of distributor sales consultants and a strong store organization that connects hairdressers with the finest brands, education and business solutions to ensure their overall success. Additionally, it is fully committed to fighting diversion and protecting legitimate channels of distribution.

SalonCentric has an integrated marketing, communications and promotional strategy that utilizes state-of-the-art technology and breakthrough concepts to attract stylist interest in both the street and store channels of distribution. As a result, SalonCentric is positioned as the leader in the professional distribution industry.

**BIR: Do you still take on new brands?**

**Tim Forbriger (TF):** Of course! In order to serve our salon and stylist customers, we are constantly looking for new and innovative products. We also have the good fortune of representing the finest companies in the professional salon industry, who have a very active new launch calendar that we bring to market. New brands can contact me to see if we're a fit for each other.

**BIR: How is your sales team structured?**

**TF:** The sales structure for our traditional distribution arm is made up of four regions, each led by a regional vice president of sales. The four regions—Mid Atlantic, Southeast, Midwest and West—are supported by 14 divisional sales managers and 61 district sales managers nationally. The divisional and district

sales managers manage sales consultants. Each region has a sales and education support team. As executive vice president of business development, I lead the sales organization along with a support team in Clearwater, FL.

As their business partners, we are committed to providing the DSCs with the best tools available to help them service their customers at the highest level. That is accomplished through sales training, sales automation featuring CRM (customer relations management) and order entry, and utilizing business building tools provided through the brands we represent. And, we provide our customers with the best brands available.

**BIR: How do you partner with salons?**

**CT:** SalonCentric provides a solid value proposition that differentiates itself from other professional salon product distributors through several programs, including:

**1. Regionally-based support:** Although SalonCentric is a large national company, we understand the value of knowing our customers and our market. We also understand that this is a relationship-based industry and that it is imperative for our support departments to be able to react quickly and serve our customers with the attention that a family-owned distributor would. In order for us to uphold that commitment and provide the tools to help our customers grow their businesses, we have our own regionally-based sales support, salon development, product fulfillment and facilities and education departments, which are dedicated solely to those salons in each region.

**2. Business development:** SalonCentric serves as a resource for both salon consultants and their clients to assist in the growth of salons through the implementation of sound business systems and programs that include business consulting services, salon marketing support and education.

**3. Salon furnishings:** The SalonCentric Salon Furnishings Division and its over 30-time Salon-of-the-Year award-winning team of design specialists can take the fear away from designing a new salon or renovating an existing salon by walking the owner through the entire process from conceptual development to

design services to plumbing and electrical.

**4. Education:** The quantity and quality of our educational events speak volumes about our commitment to the cultivation and advancement of every salon professional.

**5. Consultative sales force:** SalonCentric has demanding hire requirements and provides intense continuing education for each salon consultant, including in-depth information on salon development tools, product knowledge, salon finances and industry changes, making each consultant an expert.

**6. State-of-the-Art distribution centers:**

Our premiere distribution centers ship exclusively to each region. Additionally, they have a 98% fill rate to salons and incorporate strenuous anti-diversion coding mechanisms.

**BIR: Speaking of diversion, how does your company overcome it?**

**PS:** Taking a leading role in fighting diversion is at the very core of the strategy to build out the national SalonCentric network. As such, we have implemented a comprehensive anti-diversion strategy of a magnitude never before attempted by a professional salon distribution organization. The company has created a focus on accountability, training, systems and structural safeguards, compensation, communication and coordination. In concert with a state-of-the-art secondary coding program that captures nearly 100% of units shipped, this focus has enabled SalonCentric to identify and terminate thousands of diverting accounts, representing millions of dollars in unauthorized sales of professional-only retail products. With mandatory salon authenticity rating systems, salon profiling, on-site visits and updated anti-diversion contracts, plus active multi-level order filtering and analysis, SalonCentric continues to raise the bar for effective diversion controls. These efforts are paying off, as the national statistics show a 49% decrease in number of diverted units on core brands over the last 24 months.

**BIR: Tell me about your store organization.**

**Wayne Taylor (WT):** With 464 stores and counting, the objective of the SalonCentric store division is to provide salon professionals with the ultimate shopping experience. That means having stores that are well stocked with salon essentials; that carry the most powerful and impactful brands; that present the newest products and innovations; that afford a clean and pleasant shopping environment; that offer

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education in new techniques as well as basic skills; and that offer value pricing and exciting promotions. Most important is that the ultimate shopping experience is provided by trained, professional associates who supply accurate and timely information to our clients. We want the shopping experience to be fun, exciting—and consistent throughout the nation.

Our stores have national, centralized programs for promotions, merchandising, training, store design and other aspects of store operations, but those are executed regionally. There are currently three regions (West, East and Midwest), each comprised of 120 to 200 stores. A Northeast Region will be added in 2011. The sales and operations of stores in each region are managed by district managers, who report to division managers. Each region has a manager for store training, inventory control and administration.

**BIR: How does SalonCentric provide**

**inspiration to stylists?**

**PS: 1. Through manufacturer and distributor trade shows.** SalonCentric is committed to three extraordinary independent shows during the year: **America’s Beauty Show** in Chicago, **Premiere Orlando** and **Premiere Birmingham**. Additionally, our legacy companies have a fantastic history of more regionalized shows, like **The Myrtle Beach Show** in South Carolina, **The Ocean City Show** in Maryland, **The Forum** in Michigan, **The Mid-American Beauty Show** in Ohio and **Expressions, Elevations and Evolutions** in the Midwest. In partnership with many of our brands, SalonCentric actively promotes local, intimate educational events like **Centricity** for **Redken** and **Pureology** in Orlando and **Premiere Encounter** for Redken and Pureology in Lake Geneva. These shows are the perfect opportunity to provide stylists with technical, artistic and business education.

**2. Through business-building education,** like SalonCentric’s **RISE Business Forum**, which focuses on the four pillars of running a successful salon business—finance, management, marketing and human resources. Additionally, SalonCentric offers stylists programs that are run through the brands, like Redken’s Step-Up and Summit programs.

**3. Through special education events,** like **Silhouette** and **Undressed**. Silhouette lets students experience an event created just for them. They step outside the confines of beauty school and explore professional product lines, cutting edge techniques and the latest trends. Our “Undressed: Creativity” event lets stylists experience four separate stage demonstrations from top artists all in one day. Each showcases one of their favorite brand’s artistic expression, creativity and trends.

**4. Stylists can also attend our brands’ advanced academies,** such as **The Redken Exchange**, the **Matrix Academy**, the **L’Oréal Professional Institute**, **The Tigi Advanced Hair Dressing Academy**, **Framesi Academy**, **The Sexy Hair Institute of Courage** and **The Farouk Chi Academy**.

**5. Finally, SalonCentric inspires stylists through interesting editorial and trend reviews** in our magazine, on-line at SalonCentric.com, through in-store demos of new products and in-salon VIP events.

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