

UBC brings back personalized distribution

Ultimate Beauty Companies (UBC) is an umbrella company with four divisions that service all areas of the beauty industry and



Morad Zahabian,
CEO/founder

provide stylists, salon and spa owners, estheticians and students with service and products they can count on. **Beauty Industry Report (BIR)** recently interviewed

Morad Zahabian,
CEO/founder, and

Cynthia Heisser, senior vice president, about the benefits of partnering with a distributor that carries a large variety of products and proves that trust and excellent customer service are key components of success.

BIR: Morad, please share your organization's story with BIR's readers.

Morad Zahabian (MZ): What differentiates Ultimate Beauty Companies from other distributors is our commitment to providing high-quality products that we truly believe in; annual giveaway campaigns centered around giving back to beauty industry professionals, such as the Ultimate Rewards Program for 2010-11; a web of top-notch education initiatives; the capability to serve as a one-stop-shop for stylists, salon and beauty supply owners, estheticians, spa directors, nail techs and students and our mission to grow UBC through a dedicated and focused approach to finding new business avenues while remaining consistent and loyal to our customers.

BIR: Tell me about your four divisions.

MZ: Over the past decade, we saw an opportunity to maximize our distribution channels by creating four segmented divisions built to service the different segments of the professional beauty industry. We run each division as its own company. Consequently, many of our customers are surprised when they learn that **Nancy's Beauty Warehouse, Bella Spa & Salon Distributor, Exclusive Salon Distributor** and **viaBeauté**, a distributor of fine beauty brands, are all under the UBC umbrella. Nancy's is a nationwide open-line distributor of salon and beauty supply products. Nancy's was the first division of UBC

and is the backbone of the company. It was the sustained success of Nancy's that inspired us to diversify ourselves. Bella is a nationwide open-line distributor focusing on spa products.

Exclusive Salon Distributor carries professional, salon-exclusive lines in California and caters to mid to high level salons. **viaBeauté**, the first luxury distributor, offers elite brands whose target demographic is top tier salons.

BIR: Who are the key members of your management team?

MZ: Our UBC team includes more than 60 people. Our strong infrastructure has enabled us to achieve 18 consecutive years of profitable growth. With strong leadership and strategic planning from senior vice president, **Cynthia Heisser**, we have attracted talent and placed the right players in the right positions to maximize our effectiveness. We have all of the pieces in place to continue to grow in 2011 and beyond with **Angelica Montoya**, division sales manager, managing the outside sales force for Exclusive Salon Distributor/viaBeauté; **James Perkins**, director of sales, responsible for Nancy's salon and beauty supply sales; and **Richie Lugo**, division sales manager, responsible for Bella sales and managing all marketing communications.

BIR: What is your company's philosophy?

MZ: Each employee, no matter what his or her role in the company, understands that we are on a mission to be a \$100-million company. Each employee takes ownership of his or her job and comes to work every day prepared to do whatever it takes with integrity to reach our ultimate goal. Personally, I approach each day with a hunger to outwork our competition and consistently strive to demand exceptional results from each employee and myself.

BIR: What makes UBC different from other distributors?

MZ: Our execution of our many initiatives, programs, promotions and top brands sets us apart. We focus on what our customers' customers need. When our customers and manufacturers work with UBC, they are doing business with a dedicated organization focused on customer success and exceptional results.

BIR: What is UBC's greatest accomplishment

in the past five years?

MZ: Exclusive Salon Distributor and **viaBeauté** have enabled UBC to enter another segment of the beauty industry successfully. With those additional divisions, we are able to service our customers to an even higher degree with a broad spectrum of product offerings.

BIR: What is the salon industry's biggest distribution challenge in 2011?

MZ: Salons want to be serviced by educated sales reps and are looking for brands that perform. Many times when we open new accounts, stylists and owners are skeptical of bringing in new lines or working with another distributor because of past challenges. Too often distributors over-promise and under-deliver, which results in a lack of trust. UBC is committed to bringing back personalized service and trust.

BIR: What trends are having a positive effect on the salon industry?

Cynthia Heisser (CH): Whether through Google, beauty trade magazines or television, salons are getting educated on the products they're using on themselves and their clients. Traditionally, an appealing design and good scent were all it took to get a brand on a salon shelf. Now, customers also examine the ingredients. There is a heightened awareness about parabens and sulfates and a movement toward organic and green lines. Educated stylists demand safe products that perform and ask about ingredients and formulas.

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

CH: They would be surprised by the volume of business we do and the number of beauty professionals we reach. Like Morad stated earlier, many customers are surprised that all our divisions operate under the UBC umbrella. Beauty professionals are pleasantly surprised when they learn that we are essentially a one-stop-shop for all of their needs. We offer nearly every category of product found in most hair salons, nail salons, spas, beauty suppliers, beauty schools and barber shops.

BIR: What is your 2011 marketing campaign?

CH: UBC continues to partner with the **Professional Beauty Association (PBA)** and

top companies, such as **Helen of Troy, Clairol Professional, Wella, BaByliss PRO** and **L'Oréal**, to spoil beauty professionals with dynamic giveaways. Our **UBC Ultimate Rewards** program gives incentives to all of our customers for shopping with us. As an added benefit, all new and existing customers are automatically entered to win one of four \$5,000 cash giveaways at the **2011 International Salon & Spa Expo (ISSE)** in Long Beach, CA. We incorporate various promotional tools, such as e-blasts and Facebook and Twitter posts, along with text messages and ads in **American Salon** and **Beauty Store Business**, to educate our customers about the program.

Ultimate Rewards is our way of indulging customers. Ultimate Rewards members receive up to a 2% return on all purchases in the form of a UBC Dollar voucher when they shop with any of our four divisions.

BIR: How were you involved with the North American Hairstyling Awards (NAHA)?

CH: As a major sponsor of NAHA, we launched our UBC Ultimate Rewards program at the event. Our goal was to reach top tier stylists, salon owners and students. NAHA attendees had an opportunity to enter to win the Ultimate Stylist Session Giveaway, which included tickets to **Juan Carlos Obando** at New York Fashion Week, compliments of **Number 4 High Performance Hair Care**. We also participated in **Beacon, Symposium** and sponsored the NAHA After Party.

BIR: What new lines are you distributing?

CH: Our most recent additions include **Kim Vō, Simply Organic** and **OPI**. Blending ancient Vietnamese botanicals with French nanotechnology, Kim Vō offers luxury hair care mfor color-treated hair. Simply Organic is a plant-based hair and skin care, bath and body and lifestyle accessories brand. With OPI, we are hoping to reach more salons and expand on our existing business. All three brands are sold through our Exclusive Salon Distributor division and featured in our catalog.

BIR: Why should a manufacturer select UBC as its distributor?

CH: Manufacturers want a distributor who will focus on their brand, share the passion they have for their products and make it their personal mission to grow the line as if it were

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their own and their future depended on it. We promise that to our manufacturers and only bring in brands we absolutely love.

BIR: What are some of your most popular products/lines and why?

CH: In Exclusive Salon Distributor, we are having a great deal of success with Kim Vō. For Bella, **Satin Smooth** has been key to our business. Two of Nancy's most consistent performers are **BaBylissPRO** and **Hot Tools**. In regard to viaBeauté, all of our brands (**Philip B,**

Number 4 High Performance Hair Care, Orofluido and **Salontech**) are thriving. What makes a brand successful is its involvement in our sales trainings, focus weeks, detail days and participation in our annual campaigns.

BIR: What do you have planned for 2011?

CH: In addition to our annual campaign and more advertising and viral marketing, we have big plans for growth and expansion. Having weathered the economic challenges of the past two years, we will build on our success, carry momentum into 2011 and grow our sales team in both new and existing markets. All interested sales professionals can email me their resume. This month, we are launching our blog, **Diary of a Beauty Exec** (www.diaryofabeautyexec.com), to establish another means of communication by which we can reach beauty professionals on a personal level to share advice, along with the exciting challenges and triumphs that come with being an executive in the beauty industry.

BIR: Tell me about your online initiatives.

CH: We have been actively promoting each division and marketing our brands through social networking for nearly two years. We have more than 1,500 friends and followers via Twitter and Facebook (stylists, salon owners, beauty suppliers, estheticians, spa directors and manufacturers). We do promotions, education announcements, product launches, sales training pictures and shout outs. While the purpose is to generate business, we understand that our social networking communications need to have a human feel. Our tweets and posts must be informative and engaging.

BIR: What is the best business advice you ever received, and who was it from?

CH: **Jim Markham** told me, “Find what’s missing and create a better mousetrap.” That way of thinking inspired us to create viaBeauté (there were no other luxury distributors) and



Exclusive Salon Distributor (there were no other green inspired distributors.)
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