



THE BEAUTY INDUSTRY REPORT

A NEWSLETTER FOR BEAUTY BUSINESS EXECUTIVES

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CHECK OUT BIR's NEW! 2017 Show Calendar!

This is your newsletter. **Beauty Industry Report** welcomes your feedback! Tell us how we can help you.

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guest columnist

CEOs must react to customer complaints

By John R. Dijulius

Dealing with customer complaints that make it to senior executives is a critically important strategy, one that most companies fail miserably at in three ways:

1. Not creating a CEO communication strategy nor giving it the attention it deserves.
2. Making it impossible for customers to get in touch with the CEO/president.
3. Too often, when someone does get in touch with the CEO, the CEO makes it worse; see **PWC**, **Lululemon** and **United Airlines**.

How Accessible Are You? It is incomprehensible to me how many corporate offices and senior management teams do not handle it well when dealing with the customer. **Service Management Group** did a study and found that only 35% of customers were highly satisfied with the service recovery of senior leadership, due to them making excuses, spinning it and insulting customers by not validating their challenges.

However, there are exceptions. **Umpqua Bank** is aggressive at inviting customer feedback. Every location has a phone in the lobby with a sign that reads, "Let's talk." Pick it up and you get **CEO Ray Davis'** office. You can tell him what you think the bank is doing right and what you think it can do better, or you can ask him anything.

Mark Cuban, the billionaire owner of the NBA's Dallas Mavericks, shares one of his favorite quotes in his blog *Connecting to Your Customers*: "Treat your Customers as if they own you . . . because they do. You have to re-earn their business every day."

It's interesting to watch how CEOs deal with making customers happy. You can tell the ones who don't trust their products or services. They protect themselves from any possible interactions and they respond with form letters or assistants, if at all.

Mane St.

by Jayne Morehouse

CEO, Beauty Industry Report



Welcome to **Beauty Industry Report's 2017 Cosmoprof North America Preview**.

We understand that you're busy. That's why **BIR** has done the legwork, uncovering **500 new products** to help you experience a successful show and drive your business well into 2018.

With so many interesting products, how do you choose?

1. First, look at the trends. See what's hot in your market. Then, look at your portfolio. What's missing?

2. Next, consider your brand. What categories or products are consistent with your story and image? Which are a good fit and will add value to your brand?

3. Study logistics. How much inventory are you willing to carry?

4. Finally, add something fun that will delight your team, and your customers—and also sell.

See you on the show floor!

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Parodi Professional Care offers the foot care system that will leave feet looking smooth and feeling nourished and

moisturized.



and refreshed. Follow with **Parodi**

Nourishing Foot Cream, which goes to work on dryness from wearing heels, flats, sling-backs and flip flops. Parodi Nourishing Foot Cream softens, soothes and hydrates dry, tired feet, keeps callouses under control and moisturizes skin, while giving feet a luxurious look and feel. Parodi Nourishing Foot Cream is developed specifically with hard-working salon professionals in mind. Plus, many salon clients and individuals in other professions who experience similar skincare obstacles will also benefit. Visit parodicare.com.

cosmetics chat

The new Novalash fLASHlight creates

picture-perfect lighting. For lash fans and professionals alike, fLASHlight will revolutionize selfies and make lash pictures appear professionally taken. The adjustable clip allows you to attach your fLASHlight to any device. Compact and lightweight, it turns any image into an eye-catching stunner in a flash. With three illuminating lighting levels, the circular LED pattern gives eyes a beautiful glow and twinkle. Visit <https://novalash.com/product/flashlight/>



giving back

The Professional Beauty Association is calling for entries to its 2017 PBA Scruples Scholarship program.

The program will award one scholarship of up to \$1,000 to a new salon owner who has been open for less than 12 months as of December 31, 2017 and with fewer than four stylists on his or her team. The scholarship can be applied to business or technology-related education, as well as resources for the salon owner. This scholarship is not for technical education or salon equipment.

"The PBA Scruples Scholarship is one way we can help salon owners who are just starting to build their businesses access resources and tools to help them continue to build a solid foundation for their business," says **Steve Sleeper**, PBA executive director.

Apply online by visiting probeauty.org/scholarships/. The funds awarded must be used in 2018. Additional scholarship terms, conditions and eligibility rules can be found at probeauty.org.

Held this year at the Loews Hollywood Hotel in Hollywood, CA, the Paul Mitchell Schools 14th annual FUNraising Gala was a star-studded celebration attended by representatives and celebrity spokespeople from this year's 10 supported charities, along with students and team members from the schools, plus families, friends and fans from the entertainment and beauty industries. The black-tie event celebrated two and a half months of "FUNraising"—thousands of cut-a-thons, fashion shows, princess parties and other events hosted by the 14,000 future professionals and team members from the 110 Paul Mitchell cosmetology schools. This year, they raised more than \$1.5 million, bringing their 14-year total to \$18.2 million.

Co-hosted by TV and radio personality **Leeza Gibbons** and Paul Mitchell Schools' Dean and Cofounder **Winn Claybaugh**, the gala recognizes the top FUNraising schools

and other major contributors, including artists and educators who donate their time and talent to the campaign. This year's event acknowledged makeup expert **Debra**

Dietrich, who has singlehandedly raised over \$1 million in the past six years by offering specialized makeup classes to schools across the country and donating all proceeds.

The event also recognized winners of the "First 100" contest—the first 100 students and team members to each raise at least \$3,000 were invited to attend the Gala, where they enjoyed a photo op with celebrity guests,



Angus Mitchell and Winn Claybaugh

plus a day of hands-on education the next day with long-hair expert **Martin Parsons**, master barber **Darrin "DL" Lyons** and Debra Dietrich.

The Gala also provided the

opportunity to mingle with leading icons

and artists, including Paul Mitchell Co-owner **Angus Mitchell**; salon owner, reality TV star and daughter of legendary beauty icon **Vidal Sassoon**; **Eden Sassoon**; Intercoiffure President **Frank Gambuzza**; fitness guru **Chalene Johnson**; **Mary Wilson** of the **Supremes**; industry icons and educators **Nicholas French** and **Melissa and Billy Yamaguchi**; men's grooming expert **Diana Schmidke**; Hollywood Hair Guy **Dean Banowitz**; Ellen DeGeneres' hairdresser **Laini Reeves**; **Dancing with the Stars** Emmy nominee **Melissa Jaqua**; Broadway director **Paul Lambert**; reality TV star **Jason Wahler**; former **Miss USA Tara Conner**; and actors **Renee Taylor**, **Joe Bologna** and **Ray Abruzzo**.

Marie Osmond represented **Children's Miracle Network**, which she cofounded. To date, Paul Mitchell Schools have donated