

Five simple rules for building a

By Rosalind Wiseman

When Lev Glazman and Alina Roytberg founded their company in 1991, they never imagined that one day their cosmetics brand Fresh would be rubbing shoulders with companies like Louis Vuitton, Christian Dior and Moët & Chandon.

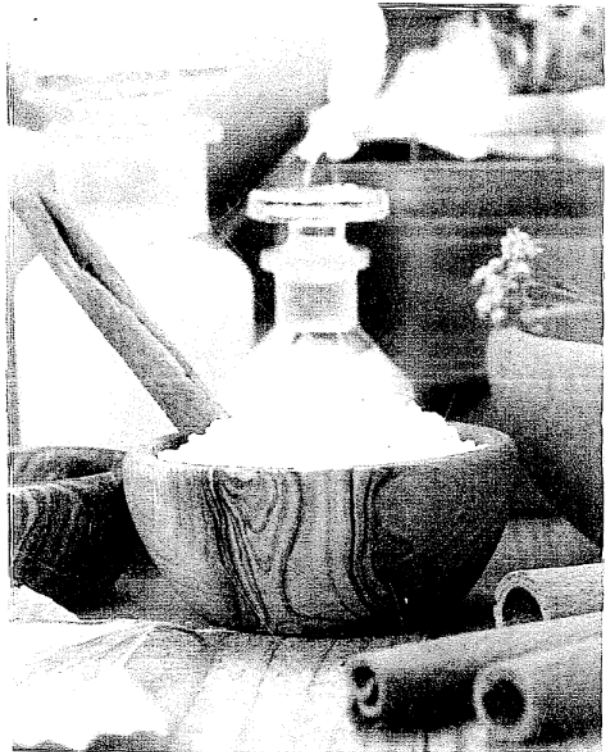
But today, with 15 stores, 400 retail distribution outlets and 180 employees worldwide, Fresh has matured into an internationally-known brand. Sold in Barneys and other high-end retail stores, Fresh enjoys the backing of majority owner LVMH Group, the Paris-based luxury goods marketer.

Glazman and Roytberg hired a CEO to run day-to-day operations in 2007, but remain co-presidents and continue to guide Fresh's creative and product development strategies. The husband-and-wife team owns a minority stake in the company and works closely with LVMH's corporate management. 'Having LVMH as our strategic partner gives us the opportunity to open new markets and to develop R&D,' Glazman says. 'We still have complete autonomy in terms of creative control and continuous development of the brand.'

Many entrepreneurs would like to emulate their success story. Here are the couple's five simple rules for product and brand development.

_____ Growing up in St. Petersburg, Russia, Glazman saw that women like his mother yearned for beauty products in their Soviet-era homeland. 'She would buy a lot of things on the black market, and if she'd got caught, she would have gone to jail,' Glazman recalls. 'But by introducing me to things that weren't so available, she created in me a passion for fragrance.' When he later moved to the US, he met Roytberg, an aspiring fashion designer, and married her in 1990. With a small investment from friends and family, Glazman finally realized his passion in 1991, when he and his wife opened their first store, Nuts About Beauty, in New York. Two years later, they changed the name to Fresh.

_____ Initially selling products made by other companies, the couple decided to launch their own line of soaps in 1992. 'Soap was the easiest to start with because we could create the formula,' says Glazman, who initially found a manufacturer in the South of France to produce small batches. Fresh got its big break when its soaps were picked up by Barneys department store in 1994 and celebrities began singing their praises. Before long, the company had 500 products, including shower gels, fragrances, lotions and other beauty products made from soy, sake, sugar and Umbrian clay.



_____ Unlike some beauty-product companies, Fresh doesn't rely exclusively on market research for ideas. Instead, Glazman and Roytberg create products they would want to use themselves. It helps that Glazman has a nose for fragrances and Roytberg a knack for packaging. 'You have to trust your instincts,' Glazman says. Adds Roytberg, 'We found the best market research happens while listening to our customers in the store.'

_____ As Fresh began to grow, its founders quickly realized that they could only go so far on their own. They told *Entrepreneur* magazine they borrowed \$10,000 from family members to open their first store and rang up \$14 million in sales in 2001. In 2000, they signed a deal with LVMH, giving it a majority stake in their company. In return, they acquired the capital, management talent and distribution channels necessary for expansion without sacrificing the autonomy they had enjoyed. 'Our focus is on expanding distribution and opening new markets like Asia,' Glazman says. Roytberg says the company plans to enter China next fall.

_____ Glazman and Roytberg remain as passionate as ever about nurturing their home-grown brand. Freed from day-to-day management responsibilities, the duo can now focus exclusively on creating new products. Says Roytberg, 'If you're a gardener and you put a seed in the ground and water it and take care of it, you want to see it flower. The opportunity to get your products into the hands of people globally makes it more exciting to come to work every day.'

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