

# SMALL BUSINESS

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## Sweet deal eases the growing pains

Investors spoon fresh cash into BEE to help it export eco-cleaning products

by Georgina Bond

Brigid Hardy is well aware of the pressure entrepreneurs face in going to the wire for their companies.

Having bought seed investor Stephen Tindall out of her eco-products venture BEE last year, Hardy had exhausted her own means of fueling the ambitious young company which was growing much faster than could be sustained by its cashflow.

The company's cleaning and laundry products were stocked in 240 supermarkets around the country and steady sales growth was proving that being environmentally friendly did not just apply to hard-core greenies but also had mainstream appeal.

However, with commitments to supermarkets for the year ahead, tight supplier timeframes and mounting pressure to keep growing and responding to her customers, Hardy realised she had hit the wall financially.

"There was so much pressure and so many people I was responsible to," she said.

The temptation was always there to give up and sell to a competitor.

There was also room to lower her cost base by eliminating some of the product's essential oils and natural ingredients, but Hardy was not willing

### FULL OF BUZZ

- BEE's environmentally friendly cleaning products entered the market two years ago.
- The innovative "talking bottles" reflect a goal to make green products "sexy and cool".
- Founder Brigid Hardy initially sold the concept to a group of New Zealand business people, who provided the seed cash.
- A fresh cash injection will ensure the company can continue growing and prepare for exporting (there is already interest in New York and London).

to compromise on quality or for BEE (it stands for Beauty Engineered for Ever) to lose its Environmental Choice certification — the toughest global eco-standard there is.

Having "gone to the wire" by investing her every cent in the business, Hardy knew that if she was to keep taking on the multinationals dominating the \$300 million cleaning-products market in this country, and then beyond these shores, substantial investment was crucial.



OVERSEAS TARGETS: Exporting is Brigid Hardy's next goal.

"I couldn't have done it all myself," she said.

"That's not a lack of confidence, it's just pragmatism."

Initially this only added to the strain, trying to devote enough time to seeking out an investor amid the daily task of running the business.

Rather than disinterested people with cash, Hardy was adamant her investors would share her aspirations for the company.

"This is a change-the-world busi-



CLEANING UP: The BEE cleaning products pledge they will be kind to the environment.

ness," she said. "I needed people who had to see how they could be a part of making that happen."

A former human rights specialist and consultant at McKinsey, Hardy was also looking to bring in experience in the nuts-and-bolts side of business, particularly in the area of fast-moving consumer goods.

Export-readiness was a huge part of Hardy's investment proposition, with BEE's early success in the small local market providing a platform to launch

the brand to overseas outlets.

The luxury of the seed funding had provided for thorough market research and a well-developed brand.

Her own willingness to put herself on the line for the company also spoke of her confidence in the company's potential.

A successful path through the Escalator capital-raising programme saw four investors put up a "substantial" amount before Christmas.

Hardy said that funding ensured

the company could expand.

Among the group are the business skills she needs to take the company to the next level.

Hardy is still the major shareholder and remains responsible for the ethics of the brand and the strategy.

She has been able to keep the business lean, with four staff at the Freemans Bay office and a board that works closely with her.

Last month's sales were the company's strongest yet on the back of its

new every-wash laundry powder and liquid.

Exporting is now on the radar screens and the products have already drawn strong interest from New York and London.

Demand for eco-products is something Hardy believes is no fad.

"More people want contemporary products and an intelligent approach to the world," she said.

"There is a real opportunity here to sell more and more to such people."

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