

Squeaky clean and green too

ECO-PRODUCTS: Talking bottles help to spread the word

by Georgina Bond

With its pick-up-line labels and award-winning packaging, BEE environmentally friendly cleaning products are soliciting smiles from supermarket shoppers around the country.

"Let me do your dishes" and "I care about you baby" are some of the statements on BEE's "talking bottles" injecting a sparkle into the eco-products market.

And that's exactly what the general manager of the young Auckland business, Brigid Hardy, wanted.

"How can green cleaning products not be irresistible when they talk right to you and with such gorgeously provocative lines?"

She counts herself among the many who may have perceived environmentally friendly products as low-performers and "a bit drab" in the past.

Since entering the market a year ago, it has been her goal to turn that around by making eco products "sexy and cool".

BEE's dishwashing liquid, multi-surface cleaner, delicate fabric wash and whitener are the only products on the local market with Environmental Choice certification.

"That's the toughest global eco-standard and it's endorsed by the New Zealand Government," says Hardy.

In this country's highly competitive \$300 million cleaning product market, Hardy knew no one would buy the range unless they were nicer to use in every way.

She drew from an extensive range of experts including chemists, formulators, dermatologists and a French perfumer to create products that were gentle on the skin and the environment.

Effort was also put into the smell, feel and performance of the products, which are perfumed with essential oils and use natural ingredients such as coconut palm oil, kawakawa from the East Cape and orange oil.

Stylish design was a top priority

» BEE-all and end-all

- Brigid Hardy launched BEE's eco-friendly cleaning products one year ago.
- Their innovative "talking bottles" reflect her goal to make "green" products "sexy and cool".
- BEE stands for Beauty Engineered for Ever.
- The Freemans Bay-based business has five staff.

from the start and the contemporary translucent bottles with bold lettering won an award at the prestigious British Design Week Awards in March last year.

BEE stands for Beauty Engineered for Ever, which Hardy says brings together these three strands of the brand: design (beauty), technology (engineered) and sustainability (forever).

"Why not have it all? We don't have to compromise on beauty and performance," Hardy, who special-

“What would the product say if it talked to you?”

Brigid Hardy

ised in human rights law at Harvard Law School and has worked as a legal secretary for Sir Douglas Graham, said a crusade-like attitude underlaid the business.

"I've always been motivated by the idea we've got to be able to change the world. Businesses have to make a difference, otherwise we will not survive."

These views got her thinking about the business three years ago, first from an intellectual point of view as a pure business case.

"I didn't want to be a 'cleaning lady' but I got more and more into it as I pulled the plan together, and it began to look workable."

Knowing it would take cash to get off the ground, she sold the concept to

a group of investors she describes as successful Kiwi business people.

"I was the save-the-world-dreamer, but I knew they had the money."

Hardy's experience working as a consultant at McKinsey helped her present the investment case that convinced them to go head-to-head with the multinationals dominating the cleaning industry.

They agreed to put the money in if Hardy was willing to do it.

Sales have grown monthly since the launch and research shows BEE is the country's top-selling environmental cleaner.

It is stocked in 150 supermarkets nationwide and about 50 organic stores.

The slightly irreverent names change periodically to keep the products fresh. They are created by playing around on a whiteboard and asking, "What would the product say if it talked to you?"

Other lines on the bottles have included, "I love your top", "I feel good on your hands", "I promise I'll be gentle", "I'll give you some sparkle" and "I'm great all over the house".

Although the products have generated interest overseas, Hardy wants to ensure she's doing the best job here first, optimising local distribution before

looking offshore.

Three new products are in the pipeline and Hardy wants to take them with her when they do make the move.

Her project is highly ambitious and she is still surprised her new role is such a far cry from working on human rights legislation or domestic violence policy.

"But I think it's worth it, otherwise I'm just talking hot air," she says, referring to "abstract talk" about changing the world.

Her BEE products are speaking for her as they reach into thousands of homes across the nation.

» ON THE WEB
www.beautyengineeredforever.com



OVERSEAS INTEREST: Brigid Hardy wants to do her best in New Zealand before looking abroad. PICTURE / GREG BOWKER

Travelex targets NZ firms

A global foreign-exchange company plans to capture 15 per cent to 20 per cent of New Zealand's small business market.

Travelex already has about 500 local SMR customers but plans to open eight new retail foreign exchange branches.

The company's newly appointed New Zealand manager, Paul Jensen, said Travelex intended to get people to do business with them, instead of local banks, by offering superior technology and good customer service.

Travelex uses a web-based trading platform which means customers can do their own transactions on the internet — no software needs to be put on their computers — and can trade 24 hours a day.

If they prefer, they can talk to company staff for the human touch.

Jensen said the company was surveying existing customers to see what they liked, or otherwise, about Travelex and how the service could be tailored for them.

Travelex is the world's largest retail foreign-exchange business and has operated in New Zealand since 1991. It has several partnerships here — with Harvey World Travel, HSBC, Visitor Information Bureaux i sites, Wellington Airport and Queenstown Airport — to give it a retail presence.

"In New Zealand, 86 per cent of enterprises employ five or fewer people and 97 per cent employ less than 19 fulltime staff."

"Many of these businesses are exposed to foreign currency and require services to manage their risk of exposure. FX movements can have a huge impact on an SME's profitability," Jensen said.

— Ellen Read

TIP OF THE WEEK

A database of potential customers, including email addresses, postal addresses and phone numbers, is invaluable in turning "lookers" into "buyers" through regular communication and/or direct mail.

» ON THE WEB
www.homebizbuzz.co.nz

Handshakes all round are no good when you are taking on staff

COMMENT: Times of high employment make a written work agreement with new recruits even more important

I am looking to hire some staff, do I have to give them a written employment contract or can I just get by with a handshake?

Gordon Barlow, from the Department of Labour's Workplace Small Business Support Centre, replies.

Just as you wouldn't buy a house or an expensive piece of machinery on a handshake, you should get something in writing when taking



on staff. You are legally obliged to have a written employment agreement and it will also help your business to run more smoothly and

be more productive.

The Department of Labour provides a free employment agreement builder at www.ers.dol.govt.nz/relationships/ builder that lets you create an employment agreement just by clicking your mouse. It clearly shows you the clauses that are compulsory, the clauses that reflect minimum conditions, and clauses that can be included voluntarily to suit you and your employee. Small business people have created more

than 38,500 employment agreements to date with the employment agreement builder.

The employment agreement is where employer and employee can lay down what they expect from each other — from hours of work and skills required, to holidays and leave arrangements. Having it in writing, with a chance for your staff member to read over it and seek advice, will ensure that both of you are clear on what you have agreed. This includes agreement on how

you will resolve any problems you might have in the future.

With unemployment at its lowest point in a decade, we are seeing a tighter labour market. You will be relying more on employees for their labour, skills and knowledge to drive your business. The investment you make in staff may well be the most important one you make. There's no room for misunderstanding or assumptions and you may need to look at new ways to attract and retain good

employees. Workplace Small Business Support (SBS) has been operating in Auckland since mid-October and the service will soon be extended to three other locations.

Workplace SBS can help small to medium-sized businesses with information and assistance on health and safety and employment relations.

■ For general information about employment relations and health and safety, contact the Department of Labour on 0800 20 90 20 or email

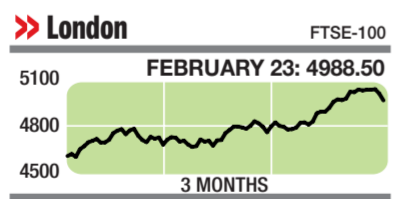
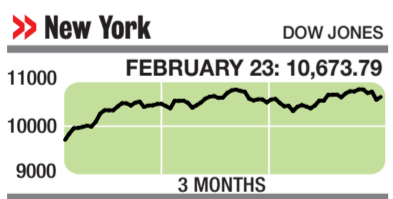
workplace@dol.govt.nz. For information relating specifically to Department of Labour Workplace Small Business Support, contact Gordon Barlow on 09-970 1508 or e-mail gordon.barlow@dol.govt.nz.

» ON THE WEB
www.ers.dol.govt.nz

Email your small business questions to georgina.bond@nzherald.co.nz. Answers are supplied by small business sector specialist Sarah Trotman: sarah.trotman@stassociates

MARKETS

WORLD STOCKS



February 23 trading, in US\$:	Lucent Tech	3.19	
Alican Aluminum	38.30	McDonalds	32.44
Amazon	34.14	McDraw & Hill	91.98
AMEP Property	38.02	Merck & Co	31.76
Amer Express	53.99	Merrill Lynch	58.38
Amer Intl	68.65	Microsoft	25.20
Antheuser Busch	47.42	Minnesota	83.92
AT & T	19.32	Motorola	15.42
Avon Prod	42.15	Navistar	38.48
Bank of America	46.73	Newmont Min	44.73
Barnes & Noble	33.62	Nike	84.90
Boeing	52.72	Nokia	15.98
Bristol-Myers	24.57	Nortelnetworks	2.94
Campbell Soup	27.85	Occidental	68.55
Capstone Turbine	1.50	Oracle Group	12.95
Caterpillar	90.46	Pepsi Co	53.43
Chvron/Teacox	60.16	Pfizer	26.31
Cisco System	17.28	PG & E Corp	35.00
Chrysler	48.38	Phelps Dodge	98.33
Coca Cola	42.58	Philip Morris	64.35
Colgate Palm	32.60	Placer Dome	18.93
Conoco Edson	42.36	Procter & Gamble	53.49
Corning	11.30	Qualcom	34.13
Crawey Int'l	29.32	Radio Shack	29.26
Daimler Chrysler	46.32	Reebok	42.92
Dell Computer	39.90	Ryder Systems	42.60
Delta Air Lines	4.90	SBC Comm	24.14
Deutsche Telekom	20.86	Schlumberger	74.09
Disney	28.65	Seagram	56.88
Dowchemical	54.35	Sears Roebuck	49.87
Dur & Bradstreet	60.25	Shell Trans	55.87
Dynegy	53.31	Sprint	23.39
Eastman Kodak	33.65	Sun Microsystems	51.60
Edison Intl	31.95	Telecom NZ	36.08
Eli Lilly	54.83	Tenneco Auto	15.58
Engelhard	29.53	Texas Inst	25.47
Ericsson	28.75	Texas Utilities	74.69
Exxon Mobil	59.42	Time Warner	17.72
Fedex Group	86.64	Time Warner	17.72
Fluor Corp	61.52	Trinian	27.65
Ford	12.81	Tribune	40.55
GenCorp	18.20	Tyco Int	33.47
General Electric	103.04	Unilever	38.53
General Dynam	35.27	Union Pacific	62.71
Gillette	50.75	Unisys	7.62
GM	36.76	United Tech	99.75
Goodyear	183.95	Unocal	52.54
Halliburton	43.10	Verizon	35.55
Hewlett-Packard	20.38	Wal-Mart	51.60
HJ Heinz	36.60	Wells Fargo	59.49
Home Depot	39.75	WR Grace Co	9.74
Honeywell Intl	57.58	Xerox	15.44
IBM	92.10	Yahoo	32.12
Inco	39.54		
Ingersoll-Rand	79.52		
Intl Group	23.21		
Intl Paper	37.53		
Ingersoll-Rand	79.52		
Johnson & Johnson	65.41		
JP Morgan	36.48		
Kellogg	43.84		
Lockheed Martin	58.55		

February 23 trading, in pence:	Kingfisher	290.50	
Aberdeen ND	343	Land Securities	1395
Alliance Tr	2795	Legal & General	115.62
Allied Domcq	532.75	Lloyds TSB	494.75
Amec	300	M Currie Pac	164.50
Anglo American	1305	Marcom	553.45
Assoc Brit Food	770.57	Markis & Spencer	367
Astrazenca	2446.50	MM02	125.62
Aviva	546.75	Monks Trust	188
BAA	606.75	Next	1569.58
Bankers Invtrst	287	Northern Foods	155.06
Barclays	584.46	P&O	306.75
BO Group	398.63	Pac Assets Trst	63.50
Body Shop	993.98	Pearson	651
Boots	671.77	Pfizer	121
BP Amoco	557.89	Prudential	458.25
Brit Aerospace	247.59	Rank Group	287.13
Brit Am Tobacco	943.25	Reckitt Bencksr	1637.18
Brit Land	866.50	Reed Elsevier	535.03
British Airways	268.65	Rentokil	156
British Telecom	207.27	Reuters	404.75
Bunzl	470.13	Rio Tinto	1758
Cable Wireless	130	Rofo Royce	684
CadburySchwep	517.72	Royal & Sun All	84.04
Carnival Corp	3005.40	Royal BK Scot	1815.53
Centrica	242.06	Sainsbury	281.25
Compass	251.50	Schroders	752.75
Corus Group	56.25	Schrodersasiapac	97.16
De La Rue	379	Scott Newcastle	452.61
Diageo	758.39	Scottish Power	413.81
Dixons	160.39	Serco Group	236.50
EMI	225.25	Severn Trent	915.50
Eurotunnel	1398.50	Shell Transport	485.46
Fleming Coeur	2049.72	Slough Estates	517.75
Foreign Colonial	200.75	Smith & Nephew	540.50
GKN	246.33	Smiths Inds	830.45
GLX SK	1266.63	Stagecoach	112
Guinness Peat	2049.72	Standard Chart Bk	964.75
GUS	945.76	Tate & Lyle	510.75
Hamerson	867.56	Taylor Woodrow	288.50
Hanson	515.38	Templeton E	180.25
HBOS	845.61	Tesco	303.25
Hilton Group	308.62	Unilever	498.50
HSBC Hldg Ord	886.71	United Utilities	627
ICI	275.50	Vodafone	137.11
Imperial tobac	1398.50	Whitbread	897.04
Inchcape	2049.72	Wimpey	442.88
Independ News	6.233		
Invensys	18.63		
Johnsonmatthey	1012.89		
JPM Fleming	91		

Miners digging in for good times

MINING: A 71.5pc rise in iron ore prices gives steelmakers their biggest cost blowout in 50 years

by James Regan in Sydney

Mining companies may well be grinning at the expense of their steelmaking customers on the prospects of soaring iron ore prices after Japan's Nippon Steel agreed to a 71.5 per cent price hike with producers in Australia and Brazil.

Analysts have been quick to rejig profit estimates for miners in anticipation of similar settlements in the sale of the key ingredient of iron ore to a steel industry booming on the back of strong demand from China.

The increase negotiated separately by Companhia Vale do Rio Doce (CVRD) and Rio Tinto could act as a benchmark as steelmakers gear up for annual record production set to exceed last year's 1.05 billion tonnes.

"This is a very important year for iron ore miners," said AEM Mineral Economics steel analyst Dallas Horadam.

Australia's mining giants BHP Billiton and Rio Tinto are expected to benefit most from a price rise, which would vindicate decisions to spend billions of dollars digging new Outback mines.

For steelmakers from China to South Korea, it would mean their biggest cost blowouts in more than 50 years.

Each 1 per cent rise in iron ore prices adds about US\$14 million (\$19.29 million) to Rio Tinto's bottom line. Every US\$1 rise adds about US\$60 million to BHP Billiton's profit.

Analysts say if the deal for shipments between April 1 this year and March 31 next year is adopted industry wide, it will undermine a hard-



OUTBACK FORTUNE: The iron ore price leap vindicates Australian miners' decisions to dig new mines. PICTURE / REUTERS

fought 8 per cent rise steel price mills won from customers in January.

"The new price is very high," said steel analyst Xu Aihua, of Chinese metal consultancy Antaika.

"Chinese steel firms could try to buy more domestic iron ore, but the problem is that the grades are generally lower."

China's largest steelmaker, Baosteel, indicated before the agreements it was ready to accept price hikes of only around 30 per cent. On Wednesday it raised steel prices by 10 per cent due to strong demand.

Chinese steel mills, like most across Asia outside Japan, have not taken a leading role in the negotia-

tions. Instead, they accept prices hammered out by their Japanese rivals.

Iron ore miners argue big boosts are justified, given a paltry 18.6 per cent rise last year amid the biggest boom in steel making in decades.

The hike means steel mills will pay on average US\$80 a tonne for ore

in the next shipping year, up from US\$46.65.

Demand for iron ore has never been stronger, owing largely to China, which alone has added enough new steel-making capacity since 2001 to match the entire US steel sector.

The International Iron and Steel Institute says world crude steel production rose 8.8 per cent to a record 1.05 billion tonnes last year. Excluding China, world output was up 4.5 per cent.

The deal, announced by CVRD on Tuesday, enraged its main customer, European steel producer Arcelor, which said it did not consider the settlement "a benchmark for 2005 contracts". Steel analysts, however, said the company was likely to give in sooner or later.

Japan's steelmakers want to reach quick deals with miners to assure their customers that there will be enough steel to go around, averting a repeat of last year, when a shortage forced Japanese car-makers, including Nissan Motors, to cut production.

"A rise of at least 50 per cent to 70 per cent was largely expected so the agreement at 71.5 per cent really didn't surprise us," said Kazuhiro Harada, of Mitsubishi Securities.

Mitsubishi Heavy Industries, Japan's biggest machinery maker, has already more than halved its profit outlook, citing higher steel prices and a supply shortage.

UBS Warburg has lifted its 2005 earnings forecast for Rio by 12.5 per cent, based on the new iron ore price. UBS said BHP's earnings would rise by 2 per cent if it followed suit.

— REUTERS