Global Wellness Summit

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The Growth Impact of Wellness on the Big Business of Beauty with Carolee Friedlander

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[START RECORDING 400PM BIG BUSINESS OF BEAUTY.MP3]

JARED: [music plays] [crosstalk] Okay, welcome everybody, you know the drill now. Unfortunately I am always the bearer of the news that you have to take your seats as quickly as possible. We are at 4 o’clock and we have an hour for this next session, and this is going to be another fantastic one. Most of you have probably been in the room for at least one, possibly multiple of these round table discussions which have been really, really productive. So, I’m not going to take up any more time other than to introduce the moderator of this fantastic session, Carolee Friedlander, take it away.

MS. CAROLEE FRIEDLANDER: Thank you so much, Jared. [applause] Thank you. So, very quickly, so, many of you are probably wondering who I am and what I am doing here since it’s the first time that I’ve been here and the first time that I’m meeting many of you.

So, for a number of years I had a wonderful accessories company that sold 1,00 stores around the globe and I partnered with the Estee Lauder companies on creating actually a joint program called Perfect Makeup, Perfect Pearls. But that’s a long story and I’m not going to get into it right now other than to say that I spent a number of years, obviously, playing in the beauty space.

So, after that I launched Access Circles and if you are wondering, what’s that? So, that is a by invitation community that is focused on bringing together significant women to help them manage their health and wellness and what we call life planning.

So, our women, actually, our CEO’s, our members, are women who are CEO’s of major corporations and/or entrepreneurs who have built companies and either are running them or have sold them. And we’re particularly focused on the intersection of health and wealth, why? Because most of the women in this room and actually will live to 100 or close to it. That’s the good news. And the other part of the good news is that there are many ways that you can, at a point, and a lot of you contributed to this, live a longer, more fulfilled and healthy life. The not so good news for many women is that...
we’ll probably run out of money. But we’re not going to get into that right now. [laughter]

We partner with leading institutions that are focused on women’s wellness, Brigham and Harvard, Johns Hopkins, Yale, Cleveland Clinic, to name a few, and we also partner with people like Bessemer Trust [phonetic] so that we bring the best of these world class thinkers to forums that we host in Aspen, Miami and elsewhere. We also partner with luxury spas and hotels, so, all of you perk up when you’re in the luxury spa and hotel business because we like to create a partner experiences for our members that are either focused on local business practices or we bring in our own program from the depth and the breadth of wonderful thought leaders that we’ve had contribute to the many years that we’ve been doing this now for ten years, of the different programs that we’ve had.

Last July in Aspen -- Venture was our keynote speaker, many of you know who he is, he sequenced the human genome. He has a wonderful facility right now out in La Jolla called Health Nucleus where many of our members actually are having their genetics sequenced. We can talk about that another time. But most importantly, we focused and are very focused on equality and women’s wellness. Now, I mean, I just tell you quickly why and then we’re going to go down the room and hear these wonderful other presenters who are with me today.

Many of you might not know that in until 1993 women were not included in any clinical trials. -- repeat that.

JARED: What?

MS. FRIEDLANDER: Many of you might not know that up until 2016 no female mice were included in clinical trials. It was only in 2016 that it was mandated that female mice be included in clinical trials. Now, there are many reasons for this that, again, I can’t get into but another time, but Access Circles has particularly focused on supporting research in women’s wellness and after all, we are the ones who are going to live to be 100, I am sorry guys, but we do live longer than you, it’s my apologies. By age 85 there are twice as many women as there are men in the United States. Therefore, we have the capability to create and shift change, whatever that might be and whatever we’re passionate about.

So, that’s basically what Access Circles tries to do. Keep you healthy and give you the tools by which you can create
legacies and create change. I would now like to go around the room and ask my panelists to tell us who they are and the companies they are affiliated with and then I am going to ask a couple of questions.

MS. NICOLA SCOTT: [phonetic] Wait, I’m feeling if I said something to somebody to offend them. [laughter]

MS. FRIEDLANDER: I don’t think so, but put the mic in front of you so we can hear you.

MS. SCOTT: I didn’t even say anything and there they were. My name is Nicola Scott [phonetic] and for those of you who were expecting Sean Harrington I am sorry, it’s only me. I’m his work wife and partner in crime, work only. I am the SVP of Sales for ELEMIS, your skin, your body, your wellness lies at the heart of ELEMIS and that is our mission statement and so I felt actually very privileged and very honored to be able to replace Sean to be part of this round table this afternoon and look forward to our discussions.

MS. FRIEDLANDER: Thank you. Deborah.

MS. DEBORAH LIPPMANN: I am Deborah Lippmann, I am a working manicurist since 1982. I am a recovered nail biter. And I have a natural line of hand and foot care that is, I am extremely passionate about and have been and it’s been around for about 19 years in the luxury market and in spas.

MS. FRIEDLANDER: Thank you, Deborah. Boldijarre, I’ve been after you for two days because I want your outfits, or just want the tailor to [laughter]

MR. BOLDIJARRE KORONCZAY: Oh, stop, stop, stop. [laughter] This old thing?

MS. FRIEDLANDER: This old thing.

MR. KORONCZAY: I got this on a police auction, I had to go so I can buy all of my things back.

MS. FRIEDLANDER: I don’t think so. [laughter]

MR. KORONCZAY: My name is Boldijarre, I am the President of Eminence Organic Skin Care from Canada.

MR. NEAL KITCHEN: Hi, I’m Neal Kitchen, I am the COO of HydroPeptide, one of several skincare brands that are represented today.
MS. YORIKA SOMA: Hi, my name is Yorika Soma and I’m coming here because, yeah, I have been at this year women’s skincare research, you know, like, along side the users test for — and we know quite about the India to China, including and Japanese ladies or men skincare. So, that’s why I’m here today.

MS. FRIEDELANDER: Thank you.

DR. LISA ISHII: Hello, everyone, my name is Lisa Ishii. I am a Professor of Facial Plastic and Reconstructive Surgery in the Johns Hopkins School of Medicine in Baltimore, Maryland. I have very much enjoyed partnering with Carolee and her team through Access Circles because since we are doing all of these things to live until we are 100, as Carolee says, we want to live until we we’re 100 but we want to look like we’re far younger than that. So, I’m delighted to contribute to that mission.

MS. FRIEDELANDER: Thank you.

MS. JANE IREDALE: I’m Jane Iredale, I formed a Mineral Makeup company in 1994. I just want to tell you that my mother lived to be 102.

MS. FRIEDELANDER: Wow.

MS. IREDALE: And she still cared about how she looked and getting her roots done especially, no gray hair in our house. [laughter]

MS. REKHA CHAUDHARI: Hi, I’m Rekha Chaudhari from India, my company name is — we distribute the high end luxury brands for the Indian Market. And I do have the schools where especially I am focusing for the village children to educate them for the wellness industry and bringing them and offering them job in the wellness industry. And I especially focus more on the woman empowerment for the wellness industry and bringing woman’s from the village.

MS. FRIEDELANDER: Thank you. Thank you.

MR. RUPERT SCHMID: Hi, my name is Rupert Schmid, I am Co Chairman of Biologique Recherche, which is offering personalized treatment to people in 75 countries.

MS. FRIEDELANDER: Love your treatments.

MR. SCHMID: Thank you.
DR. ANJAN CHATTERJEE: My name is Anjan Chatterjee, I am a Professor of Neurology and Cognitive Neuroscience at the University of Pennsylvania. One of the things I study is the biologic and neuronal basis of aesthetic experiences.

MR. MICHAEL BRUGGERMAN: Michael Bruggerman from Organic Male and as I mentioned this morning, we’re the first skin type and condition specific line for men, 46 skus, so, men is our core business.

MS. FRIEDLANDER: Fantastic, and thank you all, and I am so appreciative that you are here. So, I’m really 115 but I’ve taken really good care of myself. [laughter] The beauty business really began about 2,400 years ago in Greece and Rome when the west standards of beauty were set. And I’m just going to tell you that because of what Jane said, in a very ancient ode Plato told us that there were three wishes of every Greek, to be healthy, to be beautiful and to become rich by honest means. We have not created anything new. Greek parents to be were so concerned about their offspring’s beauty that they placed statues of Aphrodite or Apollo, the two deities of physical appearance in their bedrooms to help conceive beautiful children. The most important criteria for beauty was the hair, and I’ll leave it at that and they were dyeing hair, of course, through the centuries.

I’m going to fast forward to today where we live in a world where we are free to be much more of ourselves. In the ’80’s, obviously, we were continuing to be obsessed about our weight, we were slim but we had more hair, big shoulders and everything else. [laughter] Today I think we are in a very different world where we seek to feel well, to look well and to be well. And I think with that, what I’d like to do is toss out a few of the questions that focus on the intersection of beauty and wellness. Which are, what impact is wellness having on the business of beauty and how is it affecting you in particular in your category? And Boldijarre, I’ll start with you.

MR. KORONCZAY: Sure. But you’re talking about what impact wellness has on beauty, right? Like, you know, so, it’s very important to ask even actually even back in, I’m coming from Europe, obviously, even my grandmother at age 65 started walking five miles every day, now she is 85 and we have no idea where she is. [laughter] So, it’s been a thing, we miss her, she is great.
So, but wellness is a huge thing, like, a coming — it is from Hungary, it really is a way of life. And to us it was the awareness to wellness in probably early 2000 is what then changed our life, everybody would ask us, like, what is the secret of overnight success and I was always, like, hey, you know, it was approximately 12 years before we became successful because back in the early ‘90’s, when we started to, trying to break into the North American market the biggest thing was, is to work with very classy department store lines. And people didn’t have even a clue what the word organic meant at the time. And people were, like, literally ridiculed us, like, what’s this jams and jellies you are trying to sell here with organic stuff. And now they all still ridicule us but because it’s my suits, primarily.

But it really did make a huge impact on having companies like Whole Foods and the other, you know, people started to become more aware of yoga and being vegan. It was a huge impact on our brand. Anybody vegan here? No? You’re too weak to put your hand up? [laughter] So, that is, I love that joke, it’s so funny. I--

MS. FRIEDLANDER: [interposing] Boldijarre, I, no, no, I’m going to flip to Neal. But you’ve been very focused on the genetic possibilities for improving our skin. Do you want to talk a little bit about that?

MR. KITCHEN: Yes. No, I think it’s an, actually a great opportunity, the thing is I often talk to master classes and I go to is that, we are at our most beautiful when we are also our healthiest. And that really resonates with a lot of people because there is an element that you can really reflect on in your life and when I feel my best, when I feel my healthiest I also feel my most beautiful. And there is a direct correlation to that. There is a correlation in that we can absolutely understand our bodies, our resonating beauty in a different way when we feel healthy and when we feel our best, and that has everything to do with not just genetics but that epi genetic discussion that we’ve had today as well, we impact how our genes get expressed. And just within that, that’s one of the things that is going to be key to the revolution we see of segregating beauty and wellness in a real way is how can we use technology to really impact the way our genes get expressed and we can truly optimize the
health of our skin, the health of our bodies, everything about it through that process.

MS. FRIEDLANDER: Thank you, Lisa. I’m going to skip to Lisa for the moment because Lisa has done a fair amount of research on how we look and how that impacts our lives. So, I’m going to let you share a little bit about that.

MS. ISHII: Wonderful, thank you. In fact, your timing is perfect because I wanted to follow up on your comment, Neal’s comment about how it, we look our best when we feel our best, and that is true to some extent because it is absolutely true that observers, casual observers who don’t know us, someone could walk in the door right now and if they are smiling, they are automatically considered more attractive then if they are not smiling. And so, surely, when we feel better, we are more apt to smile and have a pleasant expression on our face that will render us more attractive. Right?

I did want to comment though, also on, it’s interesting, also a little bit of a counter whereby as we are all doing things to make ourselves feel healthy and well and in control of our lives, I am seeing in my practice a lot more men and women who come in saying, I’m taking care of myself, I feel great, I’m exercising, I’m eating well and when I loin the mirror I am appreciating a disconnect between what I am feeling on the inside and the image that I am projecting externally. And they see this in the mirror and they see this on their cell phone and on their Facebook pages.

So, it’s been very interesting the number of individuals who come see someone like me to talk about how, what kinds of things can we do in a natural appearing way that can lead to a better connection between what I am sharing with the world in my external visage and what I am feeling on the inside? So, that’s been very interesting.

MS. FRIEDLANDER: Thank you, Lisa. Anjan, I know that you have a different opinion or a slightly different take on this so I’m going to let you talk about whether you, do you think there’s a connection between beauty and wellness?

MR. CHATTERJEE: So, I think there is a connection, it’s not always transparent to me what that connection is. So, going back to your, you know, you’re sort of citing Greeks. The Greeks had three fundamental values that they cared about which was truth, beauty and goodness. And when we’re talking
about wellness it’s, wellness is close to goodness, maybe, I don’t know about truth but, so this could be in between beauty and goodness or wellness but it seems to be one that people have thought about for a long time and within the nervous system there is, there are parts of our rewards systems that tend to respond both to the reward of appreciating beauty and the rewards of appreciating good acts.

So, there is a biologic basis in which both of those things occur. Saying, and to Lisa’s point there is laws, there is also data that if you are looking at the same face that is then smiling you actually have increased neural activity and rewards systems, right? So, this is the neurologic basis for what Lisa is talking about and most of you know, it turns out to be quite robust.

I think that the complicated things for me are there is a way in which one can be so obsessed with beauty and a kind of superficial notion of beauty that that is a potential threat to someone’s individual wellness.

MS. FRIEDLANDER: Hmm, thank you. Michael, I think since we’ve been talking about beauty more from a female perspective I know your company is very focused on the male perspective and I think it’s amazing what you are doing. Could you share a little bit how the difference in, what the difference might be? Obviously we’re not trying to talk necessarily about beauty for men but we’re talking about care and inner wellness and outer wellness.

MR. BRUGGERMAN: If you look at, before can we, can I just say one thing--

MS. FRIEDLANDER: [interposing] Please, you can do whatever.

MR. BRUGGERMAN: --coupling on what was said here. The impact of wellness on me is really that it’s totally disrupting the industry when you think about it. Pollution, blue light exposure, stress, common lifestyle problems today are things that we’re going to need to solve from a beauty perspective if we want to stay on board.

The presentation yesterday was really interesting to me on Millenials because that distrust of the, of enterprise today and that more trust in influencers and bespoke treatments and personalization and formats, how is it delivered? It’s got
to be on the go, it’s got to be fast. Is it in sprays, do we need to, you know, still be in creams? These are all things I think that we’re going to have to think about in the future.

And the other thing I thought was interesting is this whole juicing kind of, you know, craze that is going on. If you look at when the early experiments with neutracueticals just never really took off, but today, people are willing to pay $8.00, $9.00 for a juice and I can guarantee you that they are interested in teas and tinctures and some of the other internal wellness as well.

From a male perspective it’s kind of interesting to me because socially women start experimenting with beauty at a very young age, so, they are playing with lipsticks, they are playing with cosmetics. Men, we’re lucky if our father’s taught us to shave. So, it’s not inculturated, one of the talks that we’re looking at the Beauty Meets Wellness initiative here at the institute is how do we teach beauty as part of hygiene at a very young age so that it becomes part of the social structure and it just becomes part of routine?

MS. FRIEDLANDER: Mm, thank you, good —-

MR. BRUGGERMAN: [interposing] Excuse me, I want to say ritual after Jessica’s presentation today. [laughter]

MS. FRIEDLANDER: So, Rupert, would you like to add a little bit to that? Or would you like to talk about the consumer is very mindful now of her fitness and what she puts in her body and how, she tends to buy beauty products that are more environmentally friendly and it appears that the growth rate of organic beauty product sales are expected to grow 74 percent between 2013 and 2018. And your products are certainly very biologically sound.

MR. SCHMID: That’s a tough question. To come back with what has been said before. I believe that wellness is a global approach. Okay? So, and the idea is for Biologique Recherche is that we try to be best in class looking for excellence but with a lot of humility because I believe that wellness requires a lot of humility. We have a lot of information, we miss a lot of information coming from the environment, pollution, water, food, and the challenge for the people in the wellness industry is to be able to offer
the best service by integrating all of those different elements or at least trying to understand this surrounding.

And this is called by some people integer of medicine, your therapist in your spa just one to one exchanging advice. And I believe that this is where in the beauty industry we should focus on, and give to those people the tools, the tools today are diagnosis of products, targeted products to know it may be experiencing DNA testing just to understand, to give the solution, you know, in the market a lot of people are saying, this is your DNA test, here you have your product. I love dreams but we hate dreams and marketing at Biologique Recherche, we try to stick with facts and figures.

So, I believe that our market will grow but we will really need to be at the edge of knowledge. And we need to bridge with people like those who are doing research and who can help us a lot to understand and with doctors and the whole wellness people. This is the challenge, the challenge is a bridge.

MS. FRIEDLANDER: Yeah, Lisa would be happy and I’m sure Anjan would be happy to talk to you about their, and I think that’s a great suggestion. Rekha, do you want to tell us about some of the challenges that you face in India?

MS. CHAUDHARI: Yeah, like, oh, brands like biological -- they are my partner for the Indian market. And, of course, representing these kind of brands who has been, like, working so many years in many international markets. Bringing this kind of international -- in the market, market has been just recently getting open, it’s opening up for the, you know, high luxury brands. So, special challenges what I face, representing the culture, culture of the brand, representing the technology for the -- and then these brands has taken years and years to -- . So, kind, bringing that brand and representing and, you know, giving that experience -- experience the brand to the Indian market is very challenging for me because, you know, beauticians are not highly educated and then government is, like, importing these kind of brands and their market is so priced -- is also go very high. So this is different challenges of what I face for the Indian market.

MS. FRIEDLANDER: Hmm, terrific. So Jane, I know you were a pioneer in developing good makeup after seeing what happened
with bad makeup, and you’re still a pioneer, so, share with us some of your challenges right now.

MS. IREDALE: Well, it’s interesting because suddenly it feels as though we’ve become kind of current. [laughter] We recently did a event and beauty editors were saying, well, I, actually you’re about wellness? Yes, we have been for the past 23 years. So, it’s been fun to see things evolving in that degree, and also to see how even department stores now are putting in wellness, departments of wellery [phonetic], for example, that’s all--

MS. FRIEDLANDER: [interposing] -- if evyerone hasn’t seen that they should try to get to see it in New York, it’s-- [crosstalk]

MS. IREDALE: --and I think Neiman Marcus is doing it and Nordstrom is doing it. So, we found just redcnetly that we introduced a supplement two years ago which is really very, very benfiical for acne and I was loathe to expand on that because I wasn’t sure how our sales people were going to get their arms aournd, oh gosh, now what is she doing, going with us? And but I’ve been surprised at how well that has been receied and how well, how even doctors are much more receptive now to talking on natural more nutritional things for combatting skin diseases.

The challenge is lawasy in education. And that has to be, that takes a lot of time and effort. We are now going in to -- or to reach more people to get the word out. I am a little concerned now about what I think of being, sort of self obsession with the whoel selfie phase and how that is making people more obsessive about the way they appear to themselves. I have always believed that makeup allowed women and men to be their best version of themselves, whatever that meant, whether it was just putting on some lip gloss before they went to the gym.

But now, I think it’s become so much more than that and that concerns me a little bit. It’s taken beauty to another area that we need to be aware of, we need to be watchful about so that it doesn’t become, it doesn’t become so obsessive.

MS. FRIEDLANDER: Hmm, -- for sure. You mentioned supplements and I just want to read the fact, one of the fastest growing segments of the industry is, are ingestibles. The types of supplements on Sephora’s website are 120 product offerings,
capsules and powders for everything from clear skin, dark eyes, collagen production and weight loss, amongst its best sellers. So, it’s interesting what is happening in terms of how there are shifts taking place and that is considered to be one of the highest growth trending areas. I don’t know Yorika, if you want to talk a little bit to that or talk about your country and some of the challenges that you are facing there?

MS. SOMA: Okay. First of all, you know, the japan is maybe the fastest country to become anti aging, you know? The recently the phenomenon is, you know, again many 50 years old ladies, so looks young. We called that as beauty withes because something wrong. [laughter] They have, like, a competition, beauty competitions, so beautiful, like, stunning and last month I had a big research in Hong Kong and China and the 20 years old ladies, the most concerning is no longer whitening, they want anti aging. So, I don’t really nearly fainting, but the Asia it’s drastically changing. In terms of their beauty it’s no longer chemical beauty, like an internal beauty, as well as the most concerning is aging. So, you know, that’s the recent things happen, the recent things happen in Asia.

MS. FRIEDLANDER: Terrific. Nicola, do you want to talk a bit about ELEMIS?

MS. SCOTT: Sure, no, absolutely, I mean, I think there’s some interesting subjects, you know, going around the table and one of those things that, you know--

MS. FRIEDLANDER: [interposing] Put the mic closer.

MS. SCOTT: Sorry, is that better?

MS. FRIEDLANDER: Yes.

MS. SCOTT: And that there’s coming out more and more and we’re hearing all of the time that Millenials, mature Millenials in this digital era that the, that we’re in. And I think there is no more exiting time than now in beauty for that which equally gives, you know, this huge voice to wellness and how beauty can be impacted by wellness. It’s something like 506 million posts a day happen about beauty, you know, whether it’s on Facebook, whether it’s on Whatsapp, you know, all of these different mediums. And for the wellness industry I feel like there is an amazing time now that we can really
capitalize on that. But through our beauty sector and for us as a brand very much, you know, through innovation and through -- both treatments we're seeing very much ingestible, ingestibles, we've had a range for 20 odd years actually--

MS. FRIEDLANDER: [interposing] Sure.

MS. SCOTT: --and, I mean, one of our biggest global partners, it's, you know, in their top five products.

MS. FRIEDLANDER: I bet.

MS. SCOTT: And that they have. You know, when we also listen to our customers it, you know, that is driving treatment innovation, pain management is actually one of the biggest requests that we have coming through as well, whether that be looking at back pain, whether that be just general stress causing aches and pains and what can you do to actually help alleviate that?

MS. FRIEDLANDER: Mm-hmm, mm-hmm.

MS. SCOTT: You know, we've kind of got these two areas of growth where you've got the Millenials and the Millenials are looking for experiential, they are looking for something that is really rooted in authenticity but then you've also got the aging population who is really looking for health, well being, how can I prolong my health and well being? And so, it's really meeting -- and beauty to demands and as a skincare brand, you know, we really have the, have to take the ownership to really continue to drive those forward as well. And--

MS. FRIEDLANDER: [interposing] Thank you so--

MS. SCOTT: --so we see a lot of innovation coming through and super foods and that, you know, those newness, you know, those elements coming through in product development as well, I’m going to say pain management. Sleep is also one of the other things that we have for treatment innovation.

MS. FRIEDLANDER: Yes, thank you. Deborah, I've often wondered why it has taken so long for there to be more organic nail salons or organic nail products because it is probably one of the most toxic things that we all do to ourselves. And I was so excited when I read about you. So, can you share a little bit about your path?
MS. LIPPMANN: Oh, my goodness. Okay, so, I, as I said, I’m a recovered nail polish, nail biter. When I was a little kid I remember going to my doctor and my nails were bitten to a nub and my doctor said to me, my pediatrician, your hands are your greeters, people can look into your eyes and they look at your hands as you go to shake their hand, and your hand say so much about how you are.

And I had so much shame and I think that now that I’ve been doing this for a really long time when anyone finds out that I am a manicurist there is, like, an immediate, like, their hands go behind their back. And I’m, like, I’ve already seen them, it’s the first thing I see. But there is so much shame to going, kind of back to what we were talking about earlier about how do you feel good about yourself? Your hands are in front of your own face all day. We do our hair, we do our makeup, we leave it, our hands are in front of our own face. So, I am also a singer and I’ll keep that part short, all of the named products are song titles. And I became a manicurist because I wanted to be making the kind of money I wanted to make as a singer and beauty was my other love.

So, while I was, I was performing, I was in college and I was performing and I was in this, I was in a show and basically very fancy costumes and I had the microphone with bitten to the nub nails and the Director took me the next day to have acrylic, actually they were sculptured nails with porcelain back then, I’m not giving away my age, am I? So, which are, you know, I mean, we put porcelain in our teeth but putting them on your mails, anyway, it’s changed a lot over the years.

So, I, when I walked out of that salon with long beautiful groomed nails, I was a new woman. My shoulders and my back, my head was higher, I used my hands differently, I found out as I, you know, wear a different color and we all are like this, we use our hands differently if we are wearing red or if we are wearing a soft, demure pink. I worked in salons for many, many years and then I realized I always worked in sort of high, very high end salons and it had Fortune 500 CEO women come and sit in my chair and hand me a bottle of polish that had Tauline [phonetic], Formaldehyde, Formaldehyde resin as their first ingredients and say, here is the base coat I want and then say, I certainly hope the nail polish you use here at Frederick Fekkai is formaldehyde free. [laughter]
Over and over and over and over and over again, I’ve been doing nails since 1982.

So, I really realized that I’m in New York trying to be a jazz singer and do theater but I’m realizing that now there is such a need for education. And I was friends with Bobbie Brown and Laura Mercier and they, I started working in fashion, so, I started doing nails, I came out of the salons and started working in fashion, and so I started getting, I would get into a place where I do the fashion shows now, I work, I could have had, I’m dual headed on this because my day job other than my brand is that I’m a celebrity manicurist, it’s embarrassing to say about yourself but I’m, like, leaving right after this to do Vogue cover with a movie star.

MS. FRIEDLANDER: How great, wow. I have to cut your short—

MS. LIPPMANN: [interposing] Okay.

MS. FRIEDLANDER: --because I want to keep going.

MS. LIPPMANN: Okay, sorry.

MS. FRIEDLANDER: But thank you, but thank you for that. And we’ll come back. Boldijarre, back to you, organic, which for you since you really started in organics many, many years ago, how does it feel now that the world seems to have caught up? And how does that effect you?

MR. KORONCZAY: It’s, initially, like I said, it was a total uphill battle and I -- people didn’t know what it was. I visited almost 900 spas, you know, in that, the first year of our business and one of them brought us in at the time. And then later so, persistence has definitely paid off. The, it became more and more mainstream but then later we had to realize that it’s not enough looking and we had to go even to shoot even higher so we started to be biodynamic and that’s kind of like the next big thing as well. But what’s really important to us is we realize that people don’t just but something that is organic or biodynamic, they also buy something that is behind the brand, they buy the mission of it.

So, corporate social responsibility is a huge thing for us and that’s why we studied the tree planting the native and the -- inactive where we bring organic meals to sick children and many of our, today as we kept talking about
wellness, like, you know, and what we deliver to the public, but what we give to our very own employees, that was a huge thing because many times, like, especially in this competitive job market that many new employees that come to us, like, through job interviews tell us they want to work for us because we have these initiatives and they feel really proud of it and then they are proud to be part of something like that.

So, organic is great, like, you know, but it’s, at this point it’s not enough, like, you want even more and people are relay buying the culture of the company.

MS. FRIEDLANDER: Of course. So, Neal, just taking off on that because, clearly, you have to have a product and an idea or a service that is going to differentiate you moving forward because I think most of you are playing in this space had have been for, since you started, so, it is part of your genetic but anyway, if you were to share with us what you are thinking about for the coming year without giving away any trade secrets, we would love to hear what you are really thinking on to separate you from the rest of the market?

MR. KITCHEN: I plead the fifth. No, just kidding. No, I think that’s a great, great question and I think it’s really important. You know one of the things that we have at this wonderful summit is the opportunity to have kind of an open forum, innovation and discussion of the future of opportunities that are out there, and really with the collaboration and I think that’s really kind of the seed where this, you know, what is going to be the true driving force of the, you know, next wave of technology and beauty, skincare and what we do to make our bodies healthier and optimize them? And I really think that part of that key is a collaborative approach, whether it’s interacting with a professor at the University of Southern California to bring some of the research that they’ve done to the market because they don’t know how and helping to deliver that technology in a meaningful way. Or simply having opportunities where, you know, at a summit like this where we might kind of talk through different interactions to say, hey, why don’t we pool these two kind of ideas together?

And I think that’s really where some of the most exciting technology is going to come. You know, I have had the research background in epi genetics and I very much preach
that that is going to be the future of skincare, but it’s certainly not going to be the only part, the technology that has to be part of that whether it’s digital or other thing that will really make that manifest and become a true part of how we transform as a whole. And it’s not just going to be one brand, it’s going to be a collective number of brands that will end up doing that.

MS. FRIEDLANDER: So, Yorika, can you speak to that question a little bit, how you’re working within Asia to create a change that would be different from your consulting companies or what is it that you bring in your consulting company that’s different that keeps you on the cutting edge.

MS. SOMA: So, actually I have started the ladies network, you know, all over Asia now, because cosmetics company, they like testing before launching because Asia has a different specifics for -- aroma, for instance, texture, it’s a different favorite as well as, like, marketing purpose, you know, what’s the most emphasis things message? So, therefore, the clients, you know, like, would like to ask for four weeks consumer test, but that’s difficult in Asia because of the -- bring the products before launching into the country is very difficult. But we have our team to go through the -- for testing reasons and we have right now India to southeast Asia to Japan to China we have a network so then it, the client like to ask this product to launch next year, to please check, it’s already launching in Europe but the big difference with the, for instance, in India, you know, like, antiseptic things is very important and so, so anyway, you know, each country has a different. For instance, Japanese lady, more than 50 percent of them said, I have sensitive skin. But every, Korea, 13 products there you say, I don’t know how, but every country there’s a different, so we have this for the last decade and we have a huge database.

Recently the product is, for instance, the anti aging, of course, and kind of stem cell but not really stem cell, like a fruit stem cells, something like that, I have no idea what’s that, but make these kind of things and now very focusing is male market, including makeup’s. So, I am very sure that next era that, like, men, the makeup’s and the kind of, are they cosmetics which is coming because we all reach a few years on that and they launch. So, you know, anyway, that's my concern in company--
MS. FRIEDLANDER: [interposing] Terrific.

MS. SOMA: --is slightly different because we have a women’s and male networking here on that--

MS. FRIEDLANDER: [interposing] Thank you, thank you.

MS. SOMA: --okay.

MS. FRIEDLANDER: So, Lisa, I know that you have just become a full professor so you’re very busy, but are you still plugging away at your research and is there anything new on, coming down the horizon?

MS. ISHII: Yeah, thank you, Carolee. You know, I will tell you, I want to underscore what Neal alluded to, and it’s such an exciting time in wellness and beauty right now, because of the collaborations that you alluded to. So, I always share with my patients that the way I want them to think about their wellness or external appearance is they have to keep in mind that it’s multi factorial. And that our appearance changes over time because a lot of different things are happening. You mentioned our hair is changing, our skin is changing, our bone structure is changing, the soft tissue beneath the skin. And so, when we think about impacting that, we have to think about approaching it from multiple different angles. It’s not a, there’s not a silver bullet if you will. And I also want to underscore the point that was made about balance. So, Jane, you alluded to this concern about how you had an obsession with it and Yoriko you also mentioned that these -- women thinking about age. 

So, I want to say up front that it do appreciate the need for balance, however, I do also like for men and women to be thinking about these things in a progressive way that evolves over time because there is noting less satisfying then the man or woman who comes into my practice and says, hey, I’m ready to change my appearance right now, let’s do an eight hour surgery with a chemical peel and I’ll set back the clock 30 years. And that’s really unfortunate and that’s not what we want our patients to be doing and we know that is not what is going to lead to the best result.

So, in research, very quickly, what I have been fascinated by is it bothered me from the very beginning that I couldn’t more specifically tell my patients the impact of the things that I was going to do with them, so, the impact of surgery
on their appearance, the impact of injectables or skincare on their appearance. So, I could literally measure the impact of those things that I can say to a patient, if you have this procedure someone of your skin type and age and bone structure, this is the effect it will have on those how are regarding you out in society.

MS. FRIEDLANDER: Thank you. Because we don’t, we’re going to run out of time, I am fascinated on the question of what idea, what product, what service each of us might be implementing or thinking about that you think will create a major shift for our companies and it might be that there isn’t one, it might be that we’re staying very fixed on a course, but if we can just kind of continue and do that in a more rapid fire fashion and be able to get around the room and have a few questions as well. So, Jane?

MS. IREDALE: Well, for us it’s about the whole holistic approach of beauty from what we put in our bodies to what we put on our bodies that it all matches and it all comes together into one whole. And it’s not just about ourselves but it’s what we surround ourselves with and we talked a lot about happiness in the community today. I think -- a profound effect on us. I am looking, you know, I am sitting at this table now to be able to talk about wellness and the environment and everything else and yet what we have in front of us are plastic bottles.

And so, I think that we need to be conscious of all of this.

MS. FRIEDLANDER: Totally.

MS. IREDALE: And that we can absorb it all and improve and we know from everything that we’ve heard that it really does effect us physically.

MS. FRIEDLANDER: Thank you. I totally agree.

MS. CHAUDHARI: Indian culture has already thought about the, giving the holistic approach and wellness is, like no, is the, Indian culture, respecting the emotions, respecting the society, all of these things we have in broadness, like, from the childhood we have been learning and seeing the society. So, wellness is the, is a -- for me is, like, you know, if I am understanding correctly in--

MS. FRIEDLANDER: [interposing] How are you basically going to differentiate the product through your service or through
your some means item, identifying your company in a unique
way that will impact the idea of bringing wellness into the
beauty space?

MS. CHAUDHARI: So, product and services so whatever is, you know,
I am representing to the brands is always demand from the
market as you can see that is, you know, -- you are
representing but the product always has to be giving the
impact for the brightening and whitening effect for the Asian
market. Especially in the Indian market so, and then
wellness is, like, and -- has a really great line and
products line which is organic, you know, it is including in
the Indian market and that’s it, yeah. [crosstalk]

MS. FRIEDLANDER: Terrific, thank you. Rupert?

MR. SCHMID: Rekha forget to mention what she is doing to educate-
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MS. FRIEDLANDER: [interposing] Yes, I’m sure.

MR. SCHMID: -- all of the people in India.

MS. FRIEDLANDER: I’m sure.

MR. SCHMID: That’s half of her life and the, so, coming back to
Biologique Recherche, I consider that the way to bridge
wellness and beauty is, first of all, science. Okay, we will
launch our first epigenetic cream within the next four weeks
in America.

MS. FRIEDLANDER: Congratulations.

MR. SCHMID: And then it’s something which I can called
responsibility and partnership that mean that we need to be
accountable for everything which we are doing towards our
guests, towards our partners and towards our teams. Okay?
And this is, I have, sometimes I ask a strange question, and
I, when you look at the cosmetic industry who is doing your
CSR report? Printed, or on the website, okay? Not all of
us.

MS. FRIEDLANDER: Mm-hmm.

MR. SCHMID: Okay, so, and I believe that in a CSR report each of
us have commitments, okay, commitments towards our guests,
towards our clients and towards our teams.

MS. FRIEDLANDER: Of course.
MR. SCHMID: And this is key because this will drive and drive our partnerships with the whole medical and scientific world too.

MS. FRIEDLANDER: Mm-hmm, thank you, mm-hmm, it’s very, very important. Anjan, I know you’re speaking tomorrow and you don’t want to give away your talk but do you want to just?

MR. CHATTERJEE: — I’d like to add one other thing to this mix which is that, and this is an idea from behavioral economics and neuro aesthetic which is that not just your product but who you are matters and who you are matters to the experience and by this, I’ll give you a very simple experiment that will explain what I mean. This was done in Copenhagen where people are in a scanner, they’re looking at abstract visual images and in one context they’re told that this, these are images that are hanging in a fancy gallery in Copenhagen and in another they’re saying that it’s some computer random generator that produced this. But people are asked what they think. They look exactly the same thing, people say that the image hanging in the gallery they like better, it’s more beautiful, and not only that but the rewards systems in their brain are actually a lot more active than in the other condition, even though what they are getting is exactly the same. So it’s, they’re not just responding because they think that’s the right thing to answer, they’re having a different experience.

Now, take that to you, what I would say is everything I have heard you should do everything you have to make your products as well oriented as possible and that’s fantastic, but who you are is also going to, as a brand, who you are is going to matter independent of the product. So, if you are contributing to research, if you are contributing to education, if you are contributing the charities, to outreach, that becomes part of the experience of your product. So, that’s my only pitch is, who you are is important. [crosstalk]

MS. FRIEDLANDER: That’s a great point. We as brands, basically that become — — [applause] Each of us, basically, are representative of our brands, Michael, I’m sure you feel that way. You are your brand. [crosstalk]

MR. BRUGGERMAN: It’s so, the best lead in every because I’ve been going through this internal turmoil actually of kind of reconnecting to my roots which was an organic dairy farm in
Wisconsin and then also going to the – of Wisconsin and being very steeped in wellness. So, rethinking the brand and taking it strategically forward, I am tying back to the wellness roots that, and so much has changed since we have launched in 2000 and, or did the original research development in 2008 on the core line, ingredient technology is amazing today. I am a die hard organics person but is a stem cell that’s cultured in the lab more sustainable for the environment? Yes. So, I am looking at rethinking who I am and what the best possible product today for consumers today, and really incorporating all of the best possible technology.

MS. FRIEDLANDER: Well, good for you. I think that’s impressive, thank you. [applause] So, I think with that we’re going to open it up for a couple of questions, which we have time for.

JARED: So, we’re going to turn it over to audience Q&A for a few minutes. Before we do that, though, I’d like to give the mic over to Susie who I think has a question of her own.

SUSIE: I get to trump these sometimes. First of all, thank you, Carolee and I love this conversation and I was wondering, because Nancy Edcoth [phonetic] is not with us. She wasn’t able to be here because she’s had an emergency but I know you know her, Carolee and she is the one that wrote the book, Survival of the Prettiest.

MS. FRIEDLANDER: Only the Prettiest Survive.

SUSIE: So, if you could just maybe talk about that a little bit and Anjan, I know you read that book or it was part of the research you did before yours. So, I just wonder if it wouldn’t be possible to just talk about it for a few minutes.

MS. FRIEDLANDER: Okay.

SUSIE: Because I think that sort of is a little bit pivot, so… [crosstalk]

MS. FRIEDLANDER: Sure, I’ll --

MR. CHATTERJEE: Why don’t you go first and I’ll --

MS. FRIEDLANDER: No, go ahead, go ahead. [crosstalk] I’m sorry, go ahead, Anjan.

MR. CHATTERJEE: So, I would recommend you look at Nancy’s book, it’s really very good and a good part of my book drew from the same research as hers. And her argument is partly what I
talked about yesterday which is that the, that there is a way in which the features that we regard as attractive have, there is an evolutionary con--, sort of underpinning of that, and that is really the notion of survival of the prettiest. Is that most of what we regard both in women and in men as attractive end up being or having been health indicators and that’s, and has a consequence on reproductive success.

It also turns out that almost everything that people do with cosmetics is in concert and consistent with those features that we know from those kinds of biologic imperatives. So, whether it’s eye makeup, people rarely, I’m not aware of, you can correct me if I’m wrong, but nobody puts eye makeup on to make their eyes look smaller, for example, right? It’s to enhance the eyes. Nobody puts, right, so, it’s all of these features that are biologically based and had evolutionary significance and that is exactly what cosmetics is doing to enhance.

MS. FRIEDLANDER: Right, and they’re not only biologically based, they’re also in civilization and if you go back to the different times in civilization you’ll also understand why Rubens, for example, was painting pink faced cherubic women who were very large. So, at that point in that civil---, at that time that was what was really admired and you can go through civilization and see that. So, you’ve done some research though that’s also very similar.

SUSIE: Yes, and I also wanted to underscore Anjan’s point that our data show that there is a very clear correlation between attractiveness and health and energy. And so, when observers regard you as more attractive they also regard you as healthier and as appearing more alert and as being someone that they want to associate with more. So, it’s not clear if the tail is wagging the dog or which came first, the chicken or the egg, but suffice it to say, they all go together.

MS. FRIEDLANDER: There’s a great research that between Lisa and Nancy — and Anjan has all been done in this area, if you’re interested I can certainly point you in those directions.

JARED: Any other questions from the audience at this point? I thought I saw a hand over here before. There’s one all the way over there, you got it? [background noise]

FEMALE VOICE 2: Hello, you talked a lot about the growth in organic, in the organic market which I understand very well,
obviously. But I’m really getting fed up with people talking about organic, not understanding organic, naturals, nature identical, and I think the consumer is totally confused about that. And so, I don’t know if anybody wants to answer that question.

Especially here in the US, and I’m sorry, because I know we’re here in the US, but you’re allowed to say so much more than we are in the rest of the world. And organic is a bit of a crock for a lot of companies. I know there’s some very authentic companies but there’s a school of thought that says you can’t make an organic product, you can make an organic oil or an organic balm but you can’t do a totally organic cream or serum, so that’s one issue, and then the other issue is nobody really talked about the importance of the olfactory system and the whole sensory journey and the power of the mind in the whole process of using products and treatments in retail in all the rest of this. You know, I don’t know if anybody wants to address that. I did it more for the audience than for you lot. [applause]

MR. KORONCZAY: I’m not sure if that was a question or a statement but... Versus natural? [crosstalk]

MS. FRIEDLANDER: How are you certified, Boldijarre, so that you are organic?

MR. KORONCZAY: So, I think the, there is aloes it’s a asking, it’s a great question, a couple of things is that it’s not only that it’s possible to make organic products but also it’s able to make biodynamic products. So, we have certified biodynamic products by the --- global organization and what that is kind of like, there is natural and there is organic and that’s, like, biodynamic. We also, one, it’s not just about the product that is really important to us that we want to lead one of our big mission is we want to lead earth as a, in a better shape then how we found it. So, through our biodynamic farming practices we want to give back to the soil and that is, to us is a really big mission and then we went through our big corps as well, like an --- certified big corps and to leave, we don’t want to just be the best for the world but, excuse me, not just want to be the best in the world but we want to be the best for the world, like, with these biodynamic practices itself.
MS. FRIEDLANDER: I think the question is a great one. I’m not sure we have the time because I have been told to end on time, but you’re absolutely right because the certification is different in every country and certainly here in America there are many companies who are touting to be organic and don’t have anything to do with organic. So, that’s a bigger issue but I think one that could be addressed in a much more important way. Deborah, did you want to have one last closing—

MS. LIPPMAN: [interposing] Yeah, I’m just really passionate to see this, because I’m the only person in nail care here. I think that we have some really big issues in the nail care industry, one of the reason that I fight so hard to make my product as natural as possible. And is it organic? No, I, you can’t make nail polish that stays on, if you wear a water based polish it will be off before you leave the house. And we do the best we can, we continue to do the best we can. But a lot of us are going and putting our hands in tanning beds and having stuff baked on to our nails and then scraped off and the removal process of those is extremely dangerous. You can ruin your nails for life.

I also just want to say that I just found out that New York State, when I was renewing my cosmetology license that I could spend eight hours with you, Boldijarre, and teach you how to do nails, which is completely impossible, and you could go and take the test, and if you were smart enough to pass the test, you could become a manicurist, licensed.

MS. FRIEDLANDER: Don’t tell him because he’ll do it tomorrow.

MS. LIPPMAN: Licensed. [laughter] But we could go in to people who have licenses who absolutely have no idea, could anyone learn their job in one day?

MS. FRIEDLANDER: No, and thank you—

MS. LIPPMANN: [interposing] No, and it’s a big problem.

MS. FRIEDLANDER: --thank you for that point. I am going to end it because and thank my panel very much and everyone who contributed and thank you for coming. [applause] [crosstalk] [music plays]

[END RECORDING 400 PM BIG BUSINESS OF BEAUTY.MP3]