

# Simply Bars find recipe for success

Energy bar booms with new flavours, focus after early efforts 'tasted like crap'

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SPECIAL TO THE STAR

Long-time Crohn's disease sufferer Cathy Richards, irked by the lack of decent-tasting foods for people with her condition, decided to create them herself.

Richards quit her high-paying job with a consulting company, researched and wrote a book on various treatments for Crohn's, and worked with her Toronto gastroenterology specialist to formulate a meal-replacement bar that would be easy on the digestive system of those with irritable bowel disorders such as Crohn's and colitis.

The first high-protein, low-fat bar they produced in 2003 was a mixed success, recalls Richards, a high-energy, fast-talking 37-year-old.

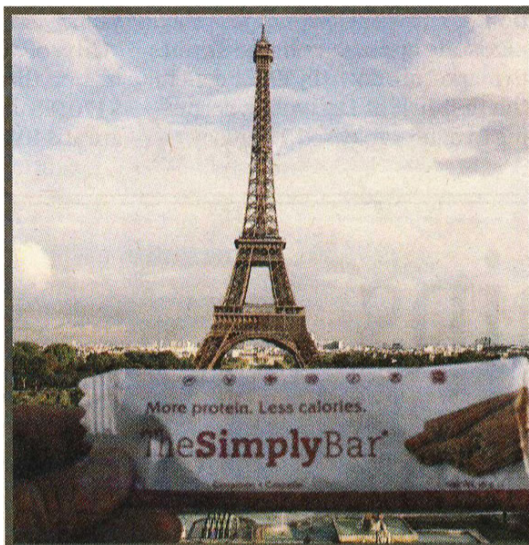
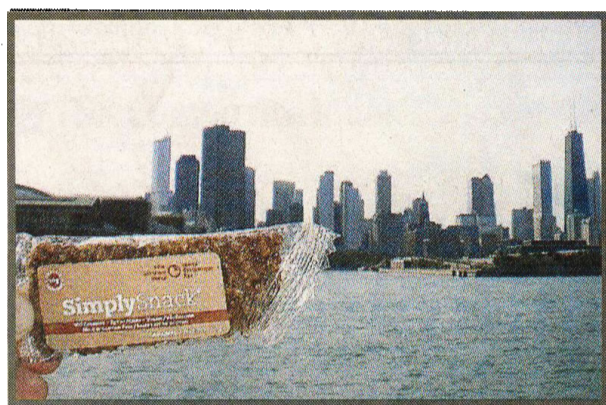
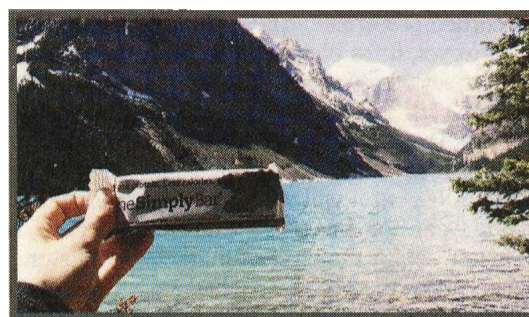
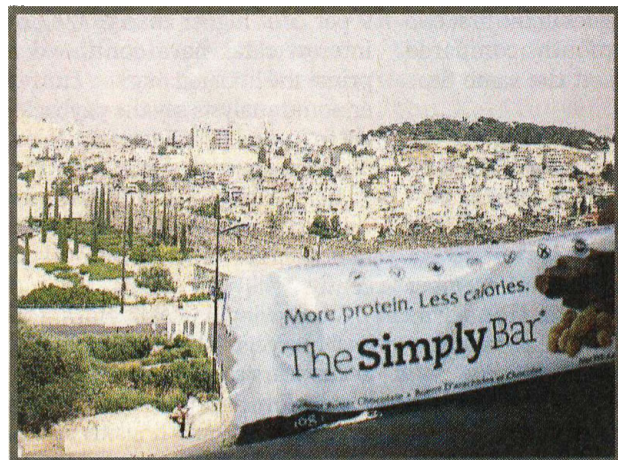
"The first bars we had kind of met our nutritional requirements: high in protein, low in fat, low in sugars, no preservatives, no additives, a simple list of ingredients — all the things that wouldn't upset people's stomachs," she says. "But it tasted like crap."

However, those early Simply Bars were strong sellers in Toronto-area health-food stores. "There was a real need for them because people still bought them despite the taste. That was my 'ah-ha' moment."

While admitting it sounds like a well-worn cliché, Richards insists dogged perseverance paid off in those early, foul-tasting days.

"No distributor would take us. The only reason I ended up getting distribution is I went door to door to all of these stores that carried us, and it was all local Toronto stores," she explains. "So they kind of get excited when they see us (now) at the big health-food shows."

Richards, who went back to full-time work in the first few years to



Fans of Cathy Richards' energy bars take photos of them at tourist spots around the world and post them on the company's facebook page — including shots from Jerusalem, Lake Louise, Chicago and Paris.

support her Wellness Foods company, came up with a better-tasting formula and shifted the marketing away from disease sufferers.

"When we switched the marketing from being like, the bowel bar, to being more like a bar for everyone, sales really improved," she says.

That repositioning goes over better at home, too, she adds with a laugh. "Finbarr, my partner, always says he does not want to be dating the person who is the face of the diarrhea bar."

The relaunch of The Simply Bar, with new packaging and flavours such as Peanut Butter Chocolate, Lemon Coconut and Cocoa Raspberry, coincided with a listing in Loblaw's, Richards' first major re-

tailer. No longer the bowel bar, new packaging touts attributes such as milk- and gluten-free, vegan, kosher, all-natural, high in protein and easy to digest.

The new bar caught the attention of the sweat set, especially triathletes, who need an energy source that is easy to digest.

The soy-based Simply bar also appeals to health-conscious women looking for a high-protein, low-fat combination, explains Tom Silverhart, who has been selling them for about five years at his Naturally Yours Health Foods store and restaurant in Toronto's First Canadian Place.

"We have been very successful with her item," he says, noting it is



mostly young women buying the bars.

Wellness Foods now sells about \$60,000 worth of bars per month, and the company is doing well enough that Richards is poised to hire her first full-time employee.

"Yael (Guendelman) started with me last year part-time, doing just sales, and she has turned into a superstar," says Richards. "She is everything I'm not: she is detail-oriented, she loves operations — all the stuff I absolutely hate. We quickly realized, within six months, she should do operations and I should be doing sales."

The plan is for Guendelman, who has a degree in nutritional and nutraceutical sciences, to move into a full-time role next year and take an equity stake in the company. "I really see her growing into a partner for me."

For a two-person company, Wellness Foods has an impressive website, complete with a blog, testimonials, a side-by-side nutrition comparison with other protein bars, and an appeal to customers to suggest which charity the company should promote next year — either an organization that helps girls and women or supports digestive diseases.

Richards recently hosted the company's first holiday party, where she gathered all the people who have worked with her through the lean years.

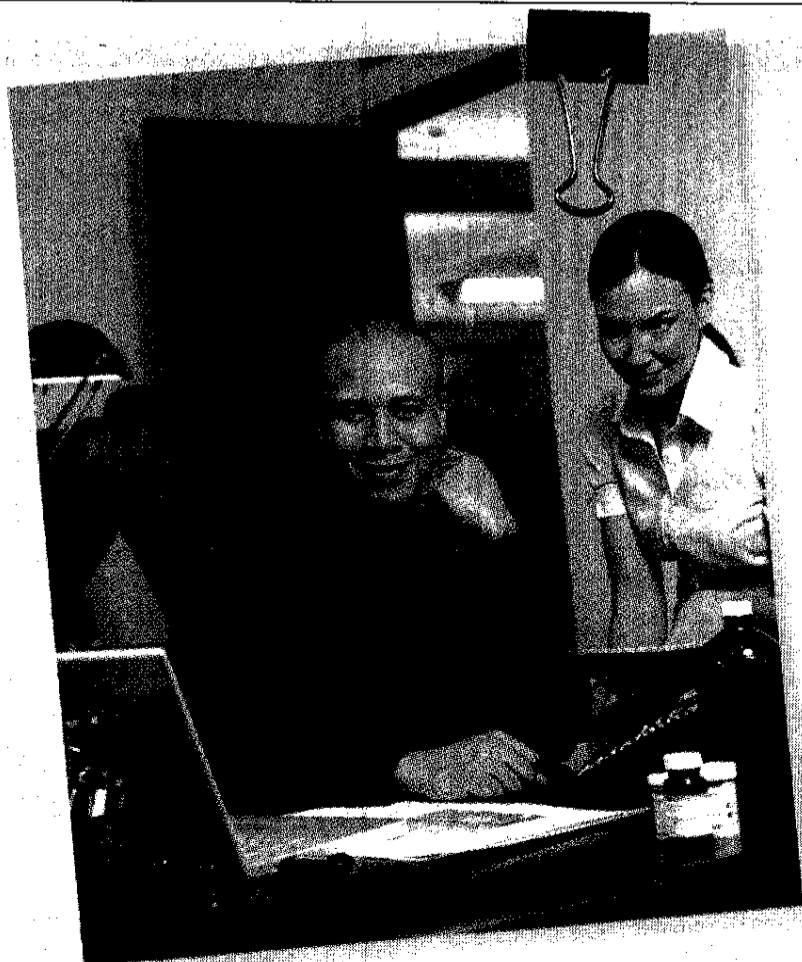
"We don't actually all work together; it is all contractors who work with me," she explains.

"I have met them all, but our bookkeeper meeting the web guy meeting the manufacturer meeting the box guys — it's a network of people and it is really cool to me that this is how it works."

Outside of Canada, Simply Bar is only being sold in the New York area, so far. Richards is pursuing a listing with CVS/pharmacy, a large U.S. drugstore chain.

However, after studying other small-business success stories, such as energy-bar maker Clif Bar, Richards is approaching the huge U.S. market cautiously.

"I have heard of so many companies going into the States and risking the whole Canadian business by doing the U.S. wrong," she says.



Type of Company: *Pharmaceutical Sales & Supplies*

Owner: *Cameron Guest*

Staying in the Black Means...: *Making sure my biggest*

*Asset (my team) has what they need to do their*

*jobs as well as they can. And making sure*

*I'm not paying too much to do so.*

The Best Tool for the Job: *Is the one that makes things*

*run smoother for the best prices possible.*

Getting More from Your Suppliers: *Means finding better*

*suppliers. Getting the right team behind you makes*

*all the difference in this recession.*

Weighing Your Options: *Is the only way to be sure*

*your business is running to capacity.*

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