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WWD FRIDAY

Beauty

Infomercial Arena Receives Breakthrough in Beauty

By Rachel Brown

Breakthrough in Beauty is determined to become a top contender in the beauty infomercial ring where Guthy-Renker is a heavyweight, and its first strike is Timeless Secret.

The skin care brand bested some 500 entries in an extensive, nearly two-year search that's central to Breakthrough in Beauty's launch process. No mere conciliation, Timeless Secret's prize was \$3 million to \$5 million for product development and \$50 million toward media placement that Breakthrough in Beauty believes will help generate around \$100 million in first-year sales.

"Through the Breakthrough in Beauty search, you can tell a beauty entrepreneur who is trying to make a quick buck by making a me-too, capitalizing on some hot ingredient, versus somebody who has spent years and years trying to create a product that is going to address their own personal needs or what women [are] really lacking in the marketplace," said Marina Randolph, who helms Breakthrough in Beauty. "Look at 'American Idol.' People love the American dream, and it is kind of fulfilling the American dream."

Timeless Secret, marketed prior to Breakthrough in Beauty's involvement for roughly a year, has been transformed from a high-end spa and boutique offering at \$400 a pop to an affordable luxury line aimed at general consumers, with thirtysomething affluent women considered the cornerstone. The ingredient positioning has shifted from a spotlight on a tea called Pu-erh to a broader approach highlighting 16 ingredients in an Intuitive Radiance Complex that contains a mix of what are dubbed performance actives, including peptides and smart ceramides, and performance naturals, including avocado and cranberry.

"Traditionally with a beauty product, more than half and sometimes 60 to 70 percent of the product is the packaging and not what goes on your face. With Timeless Secret, we custom molded the packaging, and 80 percent of the cost of goods is what goes on your face," said Randolph. "Up until now, the [direct-response] industry has kind of fallen flat on its face in terms of delivering really quality products through television."

Starting next month, 30-minute infomercials hosted by former "Entertainment Tonight" personality Julie Moran will air presenting a \$39.95 30-day trial kit with a



2-oz. Smart Foam Face Wash, 0.5-oz. Pure Radiance Day Moisturizer SPF 20 and 0.5-oz. Skin Perfecting Night Cream, along with bonus gifts of a 0.125-oz. Accelerating Booster Wrinkle Corrector and a 0.5-oz. Instantly Brightening Polishing Mask. Timelesssecret.com went live this month with that deal.

Breakthrough in Beauty is already on the hunt for its second contest winner, and it also is planning to unveil a skin care brand with a technology focus chosen outside the search in the first quarter

of next year. Randolph pointed to hair care and color cosmetics as other areas of interest for Breakthrough in Beauty, which she stressed verges from her previous employer, Guthy-Renker, by shying away from initiating brand concepts internally and not owning brand names.

"People put over \$1 million into creating their brand. They are not going to say here, 'Own my brand and take my life,'" said Randolph. However, she added, "if we are doing \$100 million for you, you shouldn't have the right to go sell it anywhere else. They are OK with that. We created a deal that I feel is a win-win."

Breakthrough in Beauty is the result of its owner, Southern California infomercial specialist Product Partners, seeking to diversify its fitness-heavy portfolio. Building on the popularity of Beachbody, the firm has quickly garnered a track record of successful infomercials in a segment where failure is common. It landed on Entrepreneur magazine's list of fastest-growing companies last year at number 69 with \$139 million in 2006 sales, up from \$33 million four years earlier.

"They have a very, very aggressive growth plan in the next five years," said Randolph of Product Partners. "Beauty is a significant part of that growth."