

Additional Case Studies

Chapter 6

Jackson Reece: The Birth of a New Venture

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The founders' tale

Colin and Janet Cordner live in a small town in Northern Ireland with their two sons. In December 1999, the Cordners' first son, Jackson, was born. At this time, the couple had no intention of going into business; as Colin reflects, setting up a company, 'was the last thing on our minds!' They had a new, bouncing baby, and were both in fairly secure employment. Then, when he was eight months old, Jackson developed the skin condition, baby eczema. Doctors prescribed a steroid cream, but this made the child unwell, and his parents became concerned. This is their account of what happened next:

'Soon we discovered that the alcohol present in many baby wipes compounded the condition. Our first thought was 'there has to be a natural wipe available that doesn't contain these types of chemicals?' We explored all the leading wipes and found none that offered an alcohol free, herbal alternative. We had no choice but to return to cotton wool and water, which was neither effective nor practical. Jackson's severe blistering and bleeding from nappy rash seemed to worsen. The combination of abrasive chemicals found in baby soaps and high levels of chlorine in water were making Jackson's eczema even worse. A local water scientist informed us that the chlorine found in our water system would be just as abrasive to a baby like Jackson as alcohol. As parents we felt we had no choice but to explore developing our own wipe that would protect and soothe our baby boy's delicate skin.'

Finding a solution

When Colin and Janet began their search they had neither specialist technical knowledge nor formal business training. Their first step was to visit the local library, where they searched for

information on skin conditions and cleaning products. Next, having purchased a computer and a broadband connection, they began searching the web for more information. They spent more than three years researching the subject, eventually identifying a combination of naturally occurring oils and other ingredients that would cleanse the skin without damaging side-effects. They also found that China was a major producer of baby wipes for the world market. After some time, the Cordners received an email from a Chinese company confirming that it could produce their new product. In 2003, the Cordners' second son Reece was born, and in the same year, the couple launched their new venture.

A values-driven venture

Colin describes the launch of Jackson Reece as 'a long road'. When they began the business, the couple had two small children and were also in the process of building a new house. While many larger and more established companies are adopting more environmentally responsible sourcing and manufacturing strategies, the arguments are usually expressed in less personal terms. Colin admits that, in the early stages, they were naive: 'the first [product] designs were awful'. After four years' of sourcing from China, the Cordners decided to relocate manufacturing activity back to the UK. This decision reflected both practical and ethical considerations. The packaging was not performing well, with the hard plastic lids (a standard feature in the packaging for most mass-market baby wipes), not sticking to the rest of the pack. This led to a costly recall, with more than 15,000 packs being replaced.

Colin also began to work with the regional development body, Invest Northern Ireland (www.investni.com). 'They have been great', he says, supplying consultancy advice on packaging, design, and trading. Jackson Reece now sources almost all of its ingredients from European countries. Manufacturing in-house is not currently feasible, partly due to the high cost of specialist machinery. The solution is to operate in partnership with other companies. In doing so, the Cordners have made considerable efforts to minimize the company's environmental impact. For example, both the product and the packaging materials are biodegradable, the wipes are assembled by a UK-based company, and the cardboard boxes used for distribution are also manufactured in the UK. Despite Jackson Reece's strong, distinctive branding and early marketing success, it has been challenging to secure listings with some of the large multiple retailers. Though buyers have been enthusiastic about the product, any new entrant is faced with two basic issues. Firstly, it is hard for small firms to

satisfy the multiple retailers' high volume requirements and to cope with their low profit margins. Secondly, retailers are reluctant to add new product lines in market segments that are already occupied by a few dominant brands; as one buyer put it, 'We don't have elastic shelves.'

A decade and a half later, Jackson Reece remains an innovative, multi award-winning babycare company, competing effectively in a highly competitive market.

References

Cordner (2010) Personal communication.

Reece, J. (2017) 'Who are we?' Available at: <http://jacksonreece.com/> (accessed 13 September 2017).