



# **Changing Lives**

# An Interview with Rick Goings, **Chairman and Chief Executive Officer, Tupperware Brands Corporation**

EDITORS' NOTE While still in college, Rick Goings founded one of the nation's first direct sellers of home security systems. In 1985, he was recruited to Avon Products, Inc. where he held a number of senior management positions including, President Avon Germany, Group Vice President & Senior Operating Officer Pacific Rim, and President of Avon USA. He joined Tupperware in 1992 as President of Tupperware Worldwide. For more than 20 years, Rick Goings he has served on the national Board

of Governors of the Boys & Girls Clubs of America, where he also served two terms as Chairman of the Board of Governors. In 2010, Goings was recognized by the President of the French Republic, Nicolas Sarkozy, with the distinguished decree of "Knight of the Legion of Honor" in recognition of his long-term dedication to the role of women in developing countries and children's causes. The People's Republic of China recognized Goings with the Marco Polo Award in Beijing for his visionary leadership and his significant role in China's economic development. Additionally, the Boys & Girls Clubs of America honored him with their highest award, the Herbert Hoover Humanitarian Award, for his outstanding leadership as their National Chairman. Goings was educated at Guilford College and served in the U.S. Navy on the Destroyer, USS Power.

**COMPANY BRIEF** Tupperware Brands Corporation is a multi-billion dollar global portfolio of direct selling companies. The portfolio includes not only Tupperware, but multiple beauty brands including Avroy Shlain Cosmetics, BeautiControl, Fuller Cosmetics, NaturCare, Nutrimetics, Nuvo Cosmetics, and Armand Dupree brands. This year, the company was chosen as the number one place for working families by the Orlando Sentinel.

# What is it that has allowed Tupperware to retain its strength and maintain a culture of innovation as the company has grown?

This company has gone through two phases: the first was the years from when the company was created in the '50s to the early '80s when Tupperware didn't have much competition and rode a wave of women looking for opportunity; the second started when it hit a wall in the late '80s. I joined in the early '90s and it was a crisis time.

Since then, we have had an incredible renaissance and have developed from being just an American company with a few global outposts to being the strong global company that we are today.

Every successful business model works until it doesn't. So it's incumbent upon leadership to constantly refresh. The major levers of our business - innovation in product, innovation in how we sell, and innovation in how we recruit, train, and motivate - have to be kept moving forward every year.

# Is it challenging to differentiate in this space and show what makes a brand unique?

Yes, but we try not to do it just on a single plane. For example, when we come out with a new product, the copycats immediately jump on it, so we try to put together a combination of not only what our product is but how we sell it and who sells it to neutralize our competition.

We're able to sell our products because every 1.7 seconds, there is a Tupperware party starting somewhere around the world.

So the combination of our levers gives us strength.

### How much of an impact has technology had in terms of how you're designing and producing your products?

Someone will come up with a visual plan of a product and we can make a prototype of it the same day as a result of technology. We found new multi-cavity methods for creating the molds that we use to make these products.

We also use technology dramatically with our sales force for communication. We have 2.6 million people from 87 countries involved in the company. But I can do a blast to our sales force and be in touch market by market. We use the Internet extensively for service and training but not so much for selling.

# Looking ahead, will the growth primarily come from emerging markets or is there still strong opportunity in the U.S.?

There are still strong opportunities in the established markets of the world - the U.S. and Western Europe. The advantage in those markets is that the per capita income is more than \$30,000.

However, the U.S. is only 5 percent of the world's population. There are 6.3 billion people in the world; in 30 years, there will be 9.3 billion, but they're not going to be in the U.S. In the U.S., we'll grow because of new product categories and consumer groups; in the emerging markets we'll grow because there is a growing middle class. In the next nine years, Brazil will add 35 million to its middle class and the middle class is also growing in China, India, and Indonesia. A women in that area of the world wants our product because it says to her friends, I can afford this brand.

### Do you foresee natural extensions to your collection and are there opportunities to broaden the offerings?

Yes. We start with the question, are we a brand - Tupperware - or are we a channel of direct selling companies?

Both give us a competitive advantage, but we're two-thirds a direct selling company and one-third branded Tupperware.

Our core category was Tupperware food storage and then we went into related categories - kitchen tools and gadgets, cookware, serving, food preparation items, and cookbooks; we're the biggest seller of cookbooks in France.

But in Latin America, they don't spend enough in our category but they do spend \$22 billion per year in beauty. So in Mexico, we have 600,000 women that sell our brand, Fuller Cosmeticos - we're the second biggest beauty company in Mexico.

But that business utilizes the same things we know how to do well with recruiting, training, and motivating a sales force - they're just selling different product categories.

### How critical is corporate responsibility to your company?

The foundation of it matches people's values – people will work for money but they will die for a cause. So our mission statement is, "Change Lives". We believe in that not only for the associates that work at Tupperware brands but for all these people whose lives we touch.

### When this opportunity presented itself, did you know that it was the right fit?

It has been one of the most important decisions of my life. I will never do anything more important. It's not about making profits. At Davos, they call it the Tupperware Effect. In Indonesia, for instance, we will recruit a woman who hasn't been given the chance of an education, microfinance her, train her, give her a free coach, and when she tastes success, she feels confident, and then she has influence.

I didn't see that kind of opportunity in the beginning. We had to get the model right. But now we're talking about how we're going to become better each year.

