

Johnson Products under new management

Written by Patrice J. Holmes, Special to the NNPA from the Dallas Weekly
Thursday, 16 April 2009 15:04

DALLAS (NNPA) - An 18-month long acquisition has brought new life to one of America's most recognized market leaders in African American hair care products. Johnson Products has been sold from Procter & Gamble (P&G) to Eric and Renee Cottrell-Brown, daughter and son-in-law of former Pro-Line owner Comer Cottrell. Brown, who will serve as chief executive officer for the company, said Johnson Products has a chance to return to the greatness it once enjoyed. "This represents an opportunity for Johnson Products to come back to the legendary position it once held," Brown said. "It has been viewed as a beacon in the African American corporate arena and the highest degree of professionalism."

P&G sold its Johnson Products Company unit to a newly-formed independent entity comprised of Los Angeles-based private equity firms Rustic Canyon/Fontis Partners, LP and St. Cloud Capital LLC, along with Plus Factor, LLC, where Brown is the owner, and Opus Capital Partners. With this transaction, Brown said the four venture capitalist companies played a tremendous role in making the Johnson Products transition a success.

"We are looking to rebuild to be as big as possible so we can be strong, retain earnings and invest enough money in Johnson Products to propel it to grow," Brown said. "We were fortunate enough to acquire a well capitalized company and we are positioned to survive in tough times."

Cottrell-Brown, who will serve as executive vice president of Johnson Products, said the company's past success and recent resurgence is an opportunity to fill a void. "The acquisition of Johnson Products represents the renewal of a family of products that revolutionized the ethnic hair care industry starting in the 1950s, and a next stage of growth for a legendary company that has been an iconic figure and model of success for African-Americans," Cottrell-Brown said.

The Browns have extensive experience in the ethnic hair care arena, having both held senior executive positions with the Pro-Line International, Inc. Their passion and business savvy is what Cottrell-Brown said will provide them with a platform to bring product innovations and promotions to a unique multi-cultural consumer group and reintroduce the brands to a new generation.

"We have an outstanding, motivated team, and we are extremely excited and optimistic about the future of this new venture," she said.

Comer Cottrell, founder of Pro-Line International, said he is excited and pleased to congratulate the Browns on their acquisition of Johnson Products.

"We have always had a great deal of respect for the company and its founder. The acquisition will perpetuate the legacy of minority ownership and contributions to the industry."

Founded in 1954 by George Ellis Johnson, Sr., Johnson Products, formerly headquartered in Chicago, has been a mainstay brand for more than a half-century in the African-American community. In 1971, the company became the first minority-run enterprise to be listed on the New York Stock Exchange. Through peaks and valleys of business developments, Johnson Products has been sold and bought to companies like Carson in Savannah, Georgia, L'Oréal,

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Wella, and finally Proctor & Gamble, each of which Cottrell-Brown said could not make Johnson Products the center of their business attention.

Today, under the leadership of the Browns' full focus, Johnson Products, which has annualized sales of more than \$23 million and participates in a global market that the company estimates to be approximately \$1.8 billion, offers more than 30 hair care products, including the Gentle Treatment and Ultra Sheen brands and the management team brings more than 55 years of experience to the newly formed company. It has helped launched some of the industry's most successful ethnic hair care brands, including the Soft & Beautiful, Comb-Thru and Just-For-Me product lines.

The new transaction also means changes for JP's geographical make-up. The company is currently headquartered in California, with products manufactured in Mexico. But the Browns, who have been married for 28 years, said they are hoping to create jobs by moving the manufacturing to the U.S. and bringing the core of the sales and marketing to their new Dallas office.

In bringing the epicenter to North Texas, the Browns said they will continue to partner with their community as they have done in the past by reaching out to services and organizations that focus on African American education, women and youth like the United Negro College Fund, and Boys and Girls Clubs.

"Johnson Products will look for opportunities to partner with organizations that mean something to the community—they need volunteers and leadership in corporate America," said Mr. Brown who has been on the advisory board at University of Texas at Arlington and served with UNCF in Dallas and Junior Achievement. "Improving the community also allows them to buy our products."

Johnson Products has been supported by leading food, drug and mass retailers as well as beauty and barber suppliers for more than 50 years. Jay Forbes, president of the Forbes Connection LLC and former vice president of Drug Store News, said he welcomes JPC back to the forefront of the ethnic hair care industry.

"In a market that demands innovation, creativity and thoughtful product positioning, I cannot think of two more talented individuals who better understand the ethnic consumer and the retail community," said Forbes. "I'm certain that Renee and Eric, with their collective experience over many years contributing to the growth of the Pro-Line family business, will excel in re-energizing Johnson Products, a great legacy company with outstanding brands."

The Browns are equally confident in the transformation they can make in the Johnson Products name. Historically, African American hair care companies have slipped through the cracks, many closing, being sold and vanishing from store shelves, but Johnson Products founder believes this will be the revival the African American hair care industry needs.

"It makes me extremely happy to know that the brands of Johnson Products will be owned by people who understand the African-American consumer market and care about the brands,"

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said Mr. Johnson, 82, whose company became part of Procter & Gamble in 2003. “Eric Brown and Renee Cottrell-Brown will be successful in re-energizing the company, and I wish them the very best in their endeavors.”