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## Australia's personal care industry gets hotter with The Heat Group's acquisition of 96-yr-old company Doward International.

Australian-owned cosmetics, skincare and personal care leader The Heat Group today announces the acquisition of successful and longstanding distribution company Doward International, which has wholesale revenue of approximately \$40m, for an undisclosed sum.

The acquisition marks the coming together of two powerhouses in Australian distribution, with approximately 6.5 million and 5.5 million units sold by The Heat Group and Doward respectively – translating to **20 units per minute** (or 1 every 3 seconds!) in combined sales.

This is the latest move in Heat's strategic plan, moving away from a pure distribution model towards an owned-brand model. Heat has made 3 brand acquisitions since 2005, has developed two brands in-house since 2012. Heat also distributes the No. 1 volume brand in the world, essence cosmetics.

Doward has a strong foothold in the Australian personal care business, with over 5000 customers nationwide, and is highly regarded in the industry for its brand portfolio and excellent service.

Gillian Franklin, Founder and Managing Director of Heat, is thrilled with the acquisition. "The management team at Heat have actively sought to acquire a company with a dominant presence in the Australian pharmacy industry, and the Doward business is both synergistic and opportunistic for us. We are looking forward to realising the gains in both the short-to-medium and long-term."

The move will see the warehouse operations and many Doward staff members transition over to the Heat head office in Scoresby, Victoria.

Brad Rogers, a former Director of the Doward Business, will come on board as General Manager, Doward at The Heat Group. Rogers explains, "The Doward business for many years has provided great brands and sundries to Australian households. Every Australian home would have a Doward product. The alignment of our business with Heat provides a strong platform to grow both our own and our key partner brands and provides an excellent opportunity for many of our team members. This step is critical to meet the growing service demands of Australian retail."

The Doward product portfolio features over 3,500 products, including well-known brands such as Mason Pearson, Simpkins, bodytools, The Beauty Case, Fleurique, Windsor Grooming Accessories, Speedo, Go Travel, Jack 'N Jill, Kobayashi, the Wheat Bag and many more.



## About The Heat Group

- Started in May 2000 by Gillian Franklin
- Started in a coffee shop and has grown to one of Australia's largest and most successful cosmetics and personal care companies.
- Blue Chip board and investors: Chairman Hugh Morgan AC, Graeme Howard, Michael Story, Lyndsey Cattermole AM and Robert Niggel
- Distributor for Procter & Gamble Max Factor and COVERGIRL brands from 2001 – 2016
- Own brand portfolio of brands include ulta3, MUD Makeup Design (Woolworths' best-selling makeup brand in volume), The Beauty Exchange (TBX), Billie Goat Soap
- Distribute essence, the No. 1 volume brand in the world
- Known as an employer of choice and specifically supporting working mums
- Heat regularly campaigns on behalf of Australian women on issues that matter to them via the Heat Poll.
- Heat is committed to helping women, and contributes to a number of charities including Look Good Feel Better and Fitted For Work.
- Heat has a number of innovative company policies and support for all employees including a Return to Work policy
- Heat has 11,500 square metres of office and warehouse

## About Doward

- Commenced in 1920 and managed by 3 generations of the Goodman family
- Current owners are 3<sup>rd</sup> generation Goodmans, brother and sister Gary and Suzie Goodman and Brad Rogers, current Director of Doward International.
- Suzie Goodman and Brad Rogers, will move across to The Heat Group.
- Doward manages and distributes over 100 brands in portfolio
- Major owned brands include bodytools™, Medi Manager™, The Beauty Case™, Fleurique™ Windsor™, Rainmates™ and Reflections.
- Major distributor brands – Simpkins, The Wheat Bag, Macks, Mason Pearson, Clearwipe, Jack 'N Jill and Go Travel.

## The Heat Group post the Doward acquisition:

- Servicing approximately 6000 doors nationwide
- Selling 1 product every 3 seconds

