



fter three years of dedicated, trailblazing work, the day that it would all pay off had finally arrived.

When the deal closed and the small software startup was officially acquired, cheers erupted

throughout the room. In the blink of an eye, many in a room full of scrappy employees had just become millionaires.

But Tiffany Masterson was not one of them. She witnessed from a corner as some celebrated this life-changing moment next to fellow employees whose lives were virtually the same, all because some employment packages had included stock while others had not. As Masterson watched the scene unfold at the company she worked at in her early career, she vowed that if she ever had the chance to do things a different way, she would.

And she did.

Following her stint in tech, Masterson went from being a stay-at-home mom in Texas to a wildly successful skin care entrepreneur. And when she made it big, she wanted to treat everyone—from her customers to her employees—the way she would want to be treated. She managed to grow her brand Drunk Elephant and ultimately sell it for \$845 million, giving employees shares in the company and building a thriving culture that has continued to flourish to this day.

It all started with an inquisitive spirit, a seemingly endless hunt for a lucrative side gig, and a bar of soap.

## **Bubbling Up**

When Masterson told a few family members that she was looking to make a little extra cash from home, they knew just the thing. Several of them were already selling a type of bar soap and thought it might be a great fit for her, too.

"The bar was very basic," she says, "but I found that when I would sell this bar to consumers, they would call me back and ask me what they should use with it."

Before long, Masterson's customers began sharing their unique skin issues with her, some she herself shared—from dryness to oily T-zones—and she would try to find complementary products for them. And that search led her on a deep dive into skin care ingredients.

Without a background in science, all the complicated names and their unique effects were a challenge to familiarize herself with, but the more she learned, the more fascinated she became. She started studying the skin itself, learning "how skin thrives and what it takes for skin to function well in order for it to be healthy."

The more she learned, the more she recognized that selling a single bar cleanser wasn't going to give her clients the results they sought. So, in 2011, she pulled out a notepad and began dreaming up the products she would sell if she could pull them out of thin air.

Rather than opting for the trendy "all-natural" approach, she wanted to find ingredients, whether natural or synthetic, that were clean and

compatible and that would eliminate the need for what she calls "the suspicious six"—silicones, essential oils, chemical screens, SLS, drying alcohols, and fragrances or dyes.

hen she met a
chemist who told
her that her ideas
were not only sound,
but they were also
innovative, she
decided to take her
idea more seriously.
With the help of

her brother-in-law, who was her first investor, she partnered with the chemist to bring her products into reality.

She eventually landed on her essential line: a low-pH cleanser, an antioxidant-packed moisturizer, a vitamin C serum, a chemically exfoliating serum, and a sunblock.

In August 2013, Masterson quietly launched Drunk Elephant and her six-product line on her website. Rather than approach a major seller right away, she wanted to take some time to perfect her products, and she knew the most important resource in that endeavor was her consumer.

"I really wanted to take a year and see what feedback I got," she says. "I wanted to hear what the consumers really felt. I wanted to really listen and have a back and forth with the consumer."

So, for a whole year, Masterson tweaked her products according to the feedback of her clientele. Then, in July 2014, everything changed.

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## **Cleaning Up**



fter spending a year perfecting her product line, Masterson was ready to take her brand to the big leagues, but she didn't want to partner with just anyone.

"I was picky," she says.
"I didn't want to just launch it anywhere. I really wanted to launch it where I felt I would

find myself shopping."

When Sephora approached her, excited about her unique approach to skincare, she knew she'd found the perfect fit. But to take the Drunk Elephant line from the 5,000 units of each product she'd been working with since launch, to the kind of numbers she would need for a national campaign, she needed new investors. She just had to convince them that her idea was worth it.

"I was a housewife in Houston,
Texas. Truly, there was no reason
to believe that my philosophy or
anything else was going to work in
the beauty world," she says. "[But] I
was so sure and so excited that I had
stumbled upon this philosophy that
could potentially help people, the
way it had helped me with my skin,
that nothing was going to stop me."

Her tenacity and great products persuaded two new investors to join her team, giving her the resources necessary to prepare for her big January 2015 launch. "We launched on Sephora. com, and nobody knew if it was going to work or not. It was sort of like, 'We'll see,'" she says. "Well, we sold out of several of the products right away."

In just 11 days, products were selling out, and Masterson thrived in the frenzy of rapidly scaling her business.

"My story feels very easy to tell," she says. "It never felt like I was struggling to force something to work. It all felt very—at the risk of sounding corny—very fateful. You feel lucky to have things happen the way they happen, but it did always feel very much like a God thing."

Before long, Masterson was establishing a team within her company, and she wanted to build a culture as lively and lighthearted as the Drunk Elephant packaging. And to do so, she knew she had to begin by hiring the right people.

Masterson emphasizes the importance of hiring people who are already passionate about the brand and who already embrace the brand values. She says she didn't just interview based on skills. Instead, she dug deeper to find out about their personalities. Were they kind? Were they inclusive? Were they invested? She wanted to weed out the potential hires who were "cocky or competitive" to build a work environment that reflected her philosophy.

SUCCESS STORY "We're not competitive with other brands, and we're not competitive with each other," she says. "We're all in it together."

Because of this intentional hiring from day one, only two members of her 113-person staff have permanently resigned.

Having a team surrounding her gave Masterson the chance to dive more deeply into the aspects of her business she loved and assign away those she didn't. She believes that founders start to struggle when they try to wear all the hats, from CEO to graphic designer, while also trying to scale.

You have be able to delegate. You have to be able to choose people who know more than you do in the areas that you're not strong," she says. "I always really knew I didn't belong in finance. I should not be touching certain parts of the business at all, like operations. That's not my strength."

So, she found people whose talents complemented her own and filled her company with them. This also gave her the chance to make good on the promise she had made to herself so many years ago.

"I wanted to give every employee, from the receptionist up to the CEO, a part of this company," she says. "And that's what we did."





## **Good, Clean Fun**

After four years of dedicated, trailblazing work, the day that it would all pay off had finally arrived. But this time, every person in the room had tears of joy in their eyes.

"When we sold the company, it was one of those days where people opened up their bank account and found quite a bit of money there," Masterson says. "They earned it, and I could not have done it without them."

Even after creating a beloved skincare brand from scratch, she says this payday for her team is the thing she is most proud of.

She also acknowledges that she's certainly made mistakes along the way, but she has come to treasure them just as much as her successes.

"Every mistake we've made, we've immediately and openly fixed," Masterson says. "Publicly. We don't try to hide it."

She believes her mistakes have been the wind in her sails, sending her in fresh, exciting directions. And with her eternal pursuit to treat her customers as her equals, she has never had a problem being open and honest with them through each bump in the road.

"Just tell the truth," she says. "A lot of times, brands try to sugarcoat things or come up with a different story, and I never understood that."

ut if there's one thing Masterson does understand, it's her love for the company she's built.

Despite the sale to Shiseido Group, owner of such brands as Laura Mercier and Bareminerals, Masterson is just as invested in her company as ever. She remains very handson, interacting with

customers over social media and helping to design new products.

After years of toil, building up a company and selling it, how did she keep from burning out or getting lost along the way?

By trusting her instincts, Masterson says.

"I think what founders and entrepreneurs should be doing is just pulling from their gut, from their own needs as a consumer, and really just following that," she says. "There are a lot of people out there in the world—too many to please—but if you focus on one person, yourself...there's going to be a lot of people out there like you."

So, what began as a dream to alleviate her own skincare struggles and the struggles of her friends became so much more. By following her own path, relying on those around her, and establishing an unwavering respect for both customer and employee, Masterson built a successful brand she adores.

To learn more about Tiffany Masterson and Drunk Elephant, head to drunkelephant.com or check out @drunkelephant on Instagram.



**Author:** Erica Comitalo is a writer passionate about helping creative entrepreneurs to find their voice and tell their stories. With a wide range of interests, from wedding tips to comic books, she most enjoys listening to people talk about what they love, especially when their passions lie in the unexpected. Catch more from Erica on thewritelens.com.