

THE ~~ESSE-~~FACTOR ethos

Slowly but surely Ethos has become a major force in the UK housewares industry, but in the past year a storm has swept through this fast growing Essex company.

PH got the low down on a successful transformation story.

To get an inkling of how large an organisation Ethos is part of, all you need to do is jump into a taxi at nearby Wickford station and state your destination address - International House, Cricketers Way, Basildon. "Ethos? - part of PMS isn't it mate?" said the driver, and as is usual with London cabbies, he knew his stuff. Launched back in 1998, the Ethos branded housewares division of the huge PMS group of companies now has Ethos offices in Hong Kong, Shanghai, Shenzhen and Essex. 'Concrete' proof of recent changes having taken place are the newly enlarged product showrooms at the

Basildon HQ, incorporating one of the trade's biggest FOB showrooms.

Although, of course, a relatively young company, Ethos has now successfully built a large and loyal customer base which spans the independent sector, multi-channel retailers and virtually every household name on the high street - and a product range that now includes over 1,500 housewares products across a myriad materials including stainless steel, ceramics, glass and wood. Another indicator of how the

company has strengthened its range, almost beyond recognition from a few years ago, are the brands that are represented on the showroom's shelves - namely, Coca Cola, Carry On, Hell's Kitchen, Aldo Zilli, Central St Martin's College of Art, Linda Barker, Loaded, Paul Cardew, Conran, Presso, Voodoo, Smart Planet, Anthony Joseph and Dulton, (the latter featuring in TV's Big Brother).

"I think it is true to say that a few years ago a lot of buyers were unsure of what Ethos was all about, but I like to think that since I took the reins and set about strengthening our team and refining our offer, any business not currently dealing with us would happily take a look at what we can now do for them" said managing director Paul Westwood. With a refreshing honesty, he accepts perceptions from the past, but insists things are very different now. "Let's face it, any company that can consistently show growth of 20% or more, must be getting it right most

Inset: The 'home' of Ethos, part of the massive PMS group, in Basildon. Right: Eastern promise - Ethos' UK MD Paul Westwood (centre), flanked by colleagues from its Hong Kong office Elaine Chan and Ricky Lai, against the unforgettable skyline.





stock/offer, while the other half comes from its OEM source. 'There are not many items here that have a shelf life over two years – the majority is changed every 12 months and we're continually moving the ranges on,' says Paul with a quick glance around the showroom at the visual proof. Anyone seeking confirmation that indeed, the 2007 Ethos is a very different animal to that of a few years ago, need only notice a celebrity chef's smile beaming from impressive packaging in the showroom – that of famed, Soho-based, Italian chef Aldo Zilli. At a time when some in the industry are shying away from such endorsements, Paul clearly has no such concerns about harnessing the power of a household cooking name.

"About a year and a half ago, it seemed to us that cookware was going through a bit of flat time, especially with the rise in the cost of stainless steel which meant that prices were creeping up. So, we looked for an angle, and it was clear that the customer wanted a brand, a recognised name in cookware.

something that would give them confidence in the product," says Paul.

"We actually worked really hard on the project and undertook a lot of research. As an up and coming

of the time, especially at a time when some big names have gone into administration, some are merging, while others have clearly been shrinking their offers," says Paul.

Certainly, contrary to shrinking its offer, as part of its expansion programme, Ethos has recently doubled its stand space at Autumn Fair to over 700 sqm.

In essence, it's clear that a change in management around three years ago was the catalyst for change of structure, product offer and indeed image at Ethos. After the 'old' management left, a period of stabilisation and consolidation followed for a year or two, according to Paul, who before becoming MD was on the sales side of the business. Andy Wilson's recent appointment as trading director (joining as he did from Premier Housewares) was big news for the company.

"We basically took a long look at the potential business out there and asked ourselves, 'do we go for this sector or that one', and in the end we decided that we were quite good at supplying a number of different market tranches," reflects Paul. "Now, I'd like to think that, after all the changes we've put in place, when customers see the Ethos name they are confident that we can design good product, can get it to market, and we can service it. When it comes down to prices, we'll give it a go and try and be competitive, but we have to offer something else other than just that, which is where the

design element of our ranges comes in," he adds. "We've found it tricky to accommodate independents and multiples with the same product offer and have had more success in differentiating our ranges. The independents, for example, are certainly becoming more demanding, which is something we have had to take on board."

Certainly, the current designer offer is one of the key changes from the Ethos of old. To put things into perspective, half of Ethos' turnover comes from its inventory



Top: Focused on the future. (Left right) Andy Wilson (trading director), Paul Westwood (managing director), David Miller (director of sales) and Paul Cotton (national sales manager) in the Ethos showroom. Above and right: Celebrated chef Aldo Zilli has been heavily involved in the development of the Ethos cookware range bearing his name.



The art beat

Testament to its reinvigorated commitment to design is Ethos' innovative tie-up with Central Saint Martin's College of Art. Ethos took a few people by surprise when its stand at the Autumn Fair displayed the fruits of collaboration with London's renowned Art college to launch the inaugural Ethos Design Award. The students' brief was to design a set of mugs based on the theme of morning, noon and night.

This initiative has involved Ethos pledging a substantial backing to the College's ceramic design degree course. The winners and runners up of this first award were on display at the recent Autumn Fair, with both Kathryn Hearn, director of the BA (Hons) Ceramic Design and David Miller, director of sales at Ethos, delighted with the calibre of winners and entries.

"It goes to prove that the commercial and academic worlds can work hand in hand for their mutual benefit," said David. The joint winners were Kaoru Parry and Louise Graham, Julie Spurgeon was the runner-up and Josefin Yargo's entry was highly commended.

Above right: Celebrity Linda Barker, who designs with Ethos, added some extra glamour when the Ethos Design Awards were presented at the Autumn Fair. (Left-right) Kathryn Hearn (course director of Saint Martin's School of Art), David Miller (Ethos' director of sales), joint award winner Kaoru Parry, Linda Barker and Julie Spurgeon, runner-up in the competition.

Right: Kaoru Parry's winning entry to the inaugural Ethos Design Award which was launched in collaboration with Central Saint Martin's College of Art. The brief was to create a series of mugs that represented morning, noon and night.



at a classic purchaser, is a new mug and cookie jar range based on the Carry On films which looks set to cause a fair few 'titters' in kitchens across the UK.

Another new, very

different, licensed brand that has joined the Ethos portfolio is the lads' mag Loaded. "We have worked with Global Brands (the licensing and brands agency) to create a 'drinking focused' Loaded product range under the banner of 'Get Loaded,'" Paul explains.

The company is now intending to build on its fast growing reputation for licensing tie-ups, with Paul revealing that he is in the final throes of signing an agreement with Vespa. "Our intention is to bring out a product range with a real retro, minimalist Italian look about the products," says self-confessed scooter aficionado Paul.

"You won't find any complacency

in my team, we are constantly looking for ways to improve our performance and to stay ahead of the game".

Asked where he'd like to see the company in four or five years time, he states: "An ideal situation for us would be to have

the two sides of the company – generic Ethos and Ethos Brands – running separately so that one doesn't cannibalise the other. I would also like to have more brands on board and for Ethos to have a strong reputation in the industry as being a company that a retailer thinks of immediately if they want something different, but saleable, of course!"

housewares company, we wanted to be associated with someone we felt was an up-and-coming chef. Aldo's a happy, pleasant, professional kind of guy and someone with whom we work well. Don't forget also that, in the cooking-at-home stakes, Italian has to be just about the most popular as it's so easy," says Paul. Given that, the tie-up with Aldo Zilli, who appears regularly on TV, makes very good sense. "He was great to work with, in fact the only aspect is he was a hard taskmaster on what was actually product design.

When I told him, for example, that we couldn't do this or that because of the manufacturing processes involved, he fought tooth and nail to retain the design integrity" explains Paul. "in the

end, we found a middle [design] ground and it has worked well."

The inclusion of a recipe featured on the Azzurro range's packaging adds to the appeal, and showing his personal penchant for football, Paul explains that the blue colour on the cookware is the same shade as the Italian football team's kit which might help score a few points with male chefs. Paul explains that while the Aldo Zilli Azzurro range is positioned near the top of its portfolio, it has also been active on the mass market front harnessing recognisable brands. Aiming

Right: The central panel of Ethos' stand at Autumn Fair showcased its extensive new Coca Cola range of drinkware and housewares products.

Below: Ethos has tapped into lad culture with its new Loaded range of drink-related products and had some Loaded models on its stand at the Autumn Fair.

