**Forsythe Entrepreneurial Center**

Founder Stories: Founder of Schmidt’s Naturals

Presented by Paul Earle

Paul Earle: Hi, I'm Paul Earl, principal of Earl and Company, and a faculty member at Northwestern's Kellogg School Of Management. Welcome to season one of Founder's Stories, produced by the Hadley Institute for the Blind And Visually Impaired. The mission of Founder's Stories is to provide you, the listener, with a deeper understanding of entrepreneurship, engage and entertain you along the way, for sure, and perhaps even inspire you to become an entrepreneur yourself.

In this episode, you'll hear a Hollywood story that's actually true.

Jamie Schmidt: Hi, my name is Jamie Schmidt. I'm the founder of Schmidt's Naturals and co-founder of the media company, Super Maker.

Paul Earle: In my entire career, Jamie is one of the more amazing people I've had the good privilege of knowing. Her path to fame and fortune via her natural deodorant and personal care empire, which was acquired by Unilever for a small fortune, is an unlikely one. She'd be the first to tell you that she was hardly an industry insider.

Jamie Schmidt: Schmidt's is a personal care products brand that I founded in my kitchen back in 2010. When I first started Schmidt's, it was mostly out of my own just personal frustration with the natural product offerings that were on the market. I decided to start formulating for myself. My product that I was most excited about was deodorant, and that's the product that Schmidt's is most known for today.

I started taking my products to farmers markets when I realized other people might enjoy them too. And the response was incredible. I had customers telling me that Schmidt's deodorant was the only deodorant that had ever worked for them. They were so excited to have discovered the product. Many heartfelt testimonials from people saying it had truly changed their lives.

Paul Earle: As the consumer love continued to abundantly pour in, Jamie knew she had a tiger by the tail.

Jamie Schmidt: So I decided to go all in. Schmidt's truly did start as a hobby, just a side hustle that I was doing for fun. But then when I saw, wow, people are really responding to this, then let's make it a business. And so once I made that decision, the company just took off and just grew, grew, grew over a period of seven years. And it didn't take long before we were catching interest from major consumer brands like Unilever, who decided that they needed to acquire Schmidt's. We were truly competing on a level that was on par with these conventional brands.

So we think about deodorants, you might think of brands like Secret or Dove. When Schmidt's was actually competing on the same level as these brands, and with a natural product, to be selling at this level on par with these other brands, was truly amazing. So with Schmidt's, my goal is really to make natural normal. Back in 2010 when I started this brand it was more of a niche market. But for me, I wanted natural to be mainstream and to be the type of products that people thought about when they went to the store. So my goal is to make Schmidt's available in mass, so with Costco and Target and Walmart.

Paul Earle: Checkout Jamie's R and D operation, I'm putting some air quotes around that. This is one of the many great lessons from Jamie's story. It's that big ideas often start very, very small. And you can probably prototype it and test it yourself just with what you have now.

Jamie Schmidt: When I first started Schmidt's, I was living in a house that was about 800 square feet with a very tiny kitchen. I took over the kitchen for the 'cause, I truly converted it into my personal lab. My family didn't really have a place to cook. We were ordering takeout at the time because I needed the stove top and all the pots to make deodorant. I had a small dining table in the corner of the kitchen that I converted into my office. I hung a tapestry around that corner and proclaimed it to be the Schmidt's headquarters.

Paul Earle: Jamie and I talked about the calling of entrepreneurship.

Jamie Schmidt: When I was younger I was never one of those people who knew what they wanted to be when they grew up. I really didn't think about it much and I was just enjoying my life as a child. And then into college, same thing. I had a lot of friends who knew exactly what it was they wanted to be doing, but for me, it was truly a journey. So I chose a degree in business. I thought, can't go wrong with that, that can be helpful someday. When I graduated, I got a job working in human resources. And it didn't take long for me to work my way up the ladder. I was making a decent salary, had a pretty great job working in HR at the MacArthur Foundation in Chicago. But I realized, as I was working, that it just wasn't feeling like the right fit.

I never truly felt fulfilled in the work that I was doing. So I was always exploring, I had different hobbies and side projects that I would do. I tried sewing, I tried some interior design. But once I discovered my passion and skill around formulating natural personal care products, that's when my life changed. And I had no idea that my hobby would turn into a career. I really do think the most successful entrepreneurs are those who sort of stumble into their work. When a business or an idea is born from passion, there's no competing with that. I see a lot of companies who will write out this really sophisticated business plan and have these really concrete goals. But for me, you know, with the birth of Schmidt's, it really was born out of a sincere appreciation and love for what I was doing. And I attribute my success to that, to that genuine passion that I have in starting the business.

Paul Earle: To be a successful entrepreneur requires a thick skin and never taking no for an answer. Schmidt's success seems obvious now, but in the early days, they had lots of challenges and doubters.

Jamie Schmidt: When I first started Schmidt's at the farmer's markets, I had a lot of different products I was selling. It wasn't just deodorant, I also had lotions and sunscreens and shampoos. And all the products were well received, customers were enjoying them. But I understood that if really wanted to compete then I needed to do one thing and do it really well. So I chose deodorant, that was the product that I was most passionate about. That was also the product that my consumers were really raving about. And I decided to go 100% in on deodorant. When I did that, there were definitely doubters. I had even family and friends who are saying, "You're crazy. You don't get rid of your lotions, you're really limiting yourself with this one thing." But I knew, I just felt in my heart, in my soul, that going all in on one thing was would be the best move.

Paul Earle: Schmidt's is a great example of a business built by listening intently to what people wanted and jumping on opportunities. She didn't have much time for strategy. She just kept experimenting and experimenting and experimenting.

Jamie Schmidt: When I was at the markets talking face to face to customers, I was hearing constantly about how Schmidt's had truly changed people's lives. And people were asking, "Where can I buy your product?" And I wasn't in any stores at the time, I just hadn't considered taking my product to retailers. But once I was hearing from these customers who were looking to continue to purchase products, I understood that there was a real potential there and that I could sell in stores. Also at the markets, I was being approached by retailers.

It didn't take long before stores like Whole Foods were coming up to my booth and saying, "Can I get a line sheet from you? Can we set up a wholesale account?" And so in that moment, I said yes to everything and I was really excited at the opportunity. But I was forced to learn everything. I didn't know about going into wholesale or what it really meant to work with a retailer. And so I had a lot of research I had to do. But I said yes to every opportunity. And I would hustle and learn what I had to learn and then go for it.

Paul Earle: This all led to a really wonderful distillation of Jamie's business philosophy. It rhymes and you'll remember it and hopefully do it.

Jamie Schmidt: One of the principles that I've held in growing my business has been, "Say yes now, then figure out how." And to me that means be open to every opportunity and eager to deliver. And so say yes and even if you don't know what you're getting into, you say yes and then you figure it out. So it's not always easy. Obviously there's always a lot of learning curve with everything, but to me, that's the only way to grow is just to embrace every opportunity.

Paul Earle: When opportunity knocks on the door, answer it. Philosophically, some believe that you don't find your business idea, it finds you. You're responsibility is to have your mind and heart open and be ready for that moment. Jamie and I continued on and talked about the rewards and challenges of entrepreneurship.

Jamie Schmidt: To me, I would say the greatest reward in being an entrepreneur is having a direct impact on other people's lives. Even with something like deodorants. We're truly changing lives by offering something that's clean and healthy. Obviously there's other things that go along with being an entrepreneur, like setting your own schedule and having the freedom to control your day to day. Of course, let's be realistic, we think, starting as an entrepreneur, that we will be potentially working less or having a lot more flexibility in our day to day. But in reality, the business becomes a really, really intimate part of who we are every day. And so well there is freedom, in some sense, we're kind of on lockdown constantly.

Paul Earle: Look, if you're going to do it, do it. Go for it, no half measures.

Jamie Schmidt: When you own your own business, you are literally living and breathing your work. It just never escapes you and it becomes part of your identity. And in fact, as I was growing the brand, I would run into family or friends. And the first thing they would ask me about is, "How Schmidt's? And what's new with the business?" And it truly is 100% you.

Paul Earle: And get ready for that emotional roller coaster, it's an occupational hazard in entrepreneurship. But the journey can reap massive rewards on multiple fronts.

Jamie Schmidt: When I made the decision to sell my company to Unilever, there were all sorts of emotions. Of course feelings of loss and sadness because this business had been a part of me for so long. And it a little scary 'cause I wondered, "What does this mean for me as Jamie Schmidt? And how connected can I truly stay to this business that I created and put all my whole heart into?"

But I did know that with this particular partnership with Unilever that I still could stay connected to the brand on a level that felt really comfortable to me. Of course there were some major feelings of pride. I mean, I never had anticipated when I started this business in my kitchen that I would be partnering with a company like Unilever and making my product available to the world. And then when I see it on shelves today, you know, I'm still as excited as I was eight years ago.

Paul Earle: Entrepreneurship is a job that never truly has an off switch.

Jamie Schmidt: I think one of the biggest challenges in being an entrepreneur, being the boss, is that you will be the go-to for every single issue that comes up. I would regularly have people coming into my office saying, "Jamie, we have a problem." And this was an everyday occurrence and I didn't always have the answer. And as an entrepreneur and as CEO and the boss of your brand, it's on you, you have to find the answer. And so I think the trick is really finding employees that you can trust and that are well-equipped to handle the issues. But it all comes down and you, really, when there's a problem.

There was a lot of personal sacrifice in living the life of an entrepreneur. I mean, there's so much juggling of schedules, priorities. You have to make sacrifices constantly. And maybe that means saying no to a night out with friends, especially as a mom. I was a new mom, I was actually pregnant when I started this business. And my son is as old as the company. And so together, I was raising him and raising my company. And so there were certainly challenges in balancing the schedules and it's not easy. It takes a strong minded person and it means sacrifice. And sometimes maybe little emotional breakdowns, but you're in it for the cause. And yeah, power through.

Paul Earle: As we concluded our conversation, I asked Jamie what advice she had for people thinking of starting a business. Her answer might surprise you. It wasn't, "Damn the torpedoes."

Jamie Schmidt: I would say, take it slowly. It's not something you have to jump into 100%. You could explore this possibility of starting your business while also maintaining a side job or considering other options as well.

Once you're deep into your business and you've taken the leap, I think it's important to understand that it's okay to shift. I always tell entrepreneurs to keep an open mind and to know that plans might not go as you suspected. And really listening to your customers and your own intuition to truly understand the needs behind your business. And also, even if you started out and you're not feeling it, I think it's okay to start over entirely. I don't think just because you started the business, if you're hating it, it's okay to get out and try it again. Or maybe just reframe what you're doing.

Paul Earle: So there you have it. The Jamie Schmidt story. One for the ages, from humble beginnings to a global brand, step-by-step.

I hope you enjoyed the tale and maybe even learn something. And if nothing else, perhaps you can take away a bit of inspiration. That idea gnawing at you, give it a shot, make something in your kitchen. One day it might be big, big, big, big. Talk to you again soon.