

CAROLYN CRESWELL CHATS WITH EMMA ISAACS.



Marvellous muesli

CAROLYN CRESWELL TURNED A \$1000 INVESTMENT INTO A \$55 MILLION FORTUNE. SHE TALKS TO EMMA ISAACS ABOUT HER ENTREPRENEURIAL JOURNEY.

Carolyn Creswell, the cereal entrepreneur behind Carman's Fine Foods, was born in Melbourne. That's where she spent her early childhood before moving to Los Angeles, California. "I was seven when my dad got a transfer to America so I spent the next four years there. I came back with an American accent and a very American wardrobe!" she says.

The experience of living abroad was a great early lesson for her. "I do think that sense of feeling like a fish out of water a couple of times in your life is probably a good thing. At the time you just want to conform and be like everyone else but looking back, it was probably a good thing for me."

When Carolyn was 16, she headed overseas again, this time to Germany on an exchange. Upon returning to Australia she finished her schooling and wanted to get into law. "I didn't have good enough marks though, so I enrolled in an arts degree and my first year of uni was when I started working at a little business that made muesli."







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After six or so months, Carolyn learned that the owners of the business wanted to sell it. "They said they wanted to sell the business and whoever bought it might keep me working there or I might lose my job. The other lady there (Manya) and I made a little partnership and we started with offering a thousand dollars but they didn't accept it. They wanted \$10,000. The owners kept sending people up to look at the business and we always put them on the oven which is the hardest bit of making muesli and they would get burns up their arms," Carolyn recalls. "They would be sweating in this tiny little bakery saying oh my god this is really hard and so it was a couple weeks before Christmas that the owners agreed to our final offer of \$2,000 and that's how Carman's was born."

The girls got to work and named the business Carman's as it was the first part of both their names – Carolyn and Manya. Not long after, Manya exited the business. "After two years I bought my partner's shares out because she didn't really want to do it anymore and I guess the rest is history."

FOODIE FOUNDATIONS

Carolyn's mum stayed at home to look after Carolyn and her brother when they were younger, but ended up taking a job running the local school canteen from their house. "She ran it from our home," Carolyn says, "so it was kind of good or bad if you had a sick day. We'd have to help with the busy hours of getting the hot food out – she'd literally heat the pies and sausage rolls for the whole school from our kitchen!"

Perhaps surprisingly, Carolyn didn't necessarily share the same interest in food or food production. "I didn't get into Carman's

because of a love of food. I really got into it because it was part of my job and probably my skill set was more around the running of the business. It's only more recently since I've had my kids that I'm more into cooking and food but that was certainly not what got me into it in the first place."

RETURN ON INVESTMENT

When Carolyn started working in the business, she only had one product line - muesli. Now Carman's boasts 25 products from muesli bars through to organic corn chips, exporting to 32 countries worldwide. Describing the current size of the business,

Carolyn says: "We have 20 people in our head office, and we have 107 people on the production line directly responsible for making our products. We sell to the main guys in Australia so Coles, Woolworths and so on, but also to a lot of airlines here and overseas."

It could be said that a lot of the Carman's success story is owed to international demand. Approximately 70 per cent of the company's gross sales are made in foreign countries, and it's growing each day. "We're with some very good partners around the world and it's nice to be established with them. The focus now is how to grow their orders and volumes. We're in Wholefoods in the US, Malaysian Airlines is a big one for us and then we have accounts like Tesco in Asia. We're just about to go into a big chain in China too."

Carolyn says it's surprising, but Singapore is now the biggest market for the brand. "Initially I had thought it would be about getting in with the expat community, but the local people love the products even more. We're shipping a container every couple of weeks to Singapore at the moment!"

LATTE WITH... CAROLYN CRESWELL

The entrepreneur admits that manufacturing isn't her strength, so it's outsourced to an external provider. "I always sort of knew from the very early times that the manufacturing part of the business wasn't something that I loved or that I was brilliant at. I eventually found someone who would put our recipe through his oven and it's just like making a cake at home – it's all about the recipe. Whether it's your oven or the next-door neighbours' it's the same sort of thing."

LEARNING ON THE JOB

Carolyn hasn't had any formal business education, instead relying on her instincts, mentors, and external networks. "I guess in the early days I would just go and learn what I needed to know at that time so for example I remember distinctively learning how to reconcile a bank statement – literally getting out the chequebook and going through the bank statement and ticking off everything that had gone through!" laughs Carolyn.

"More recently I have done courses on leadership and innovation and I've also done my company's directors course. I'm on a few boards so I've tried to educate myself. I'm not the smartest girl in the room - I'm just a hard worker."

Working hard has been a strong theme in Carolyn's life, and it paid dividends with the company directors' course.

"There were 25 people who started and lots of them were CFOs and CEOs and I was like 'oh my gosh this is going to be really hard for me' but I put in weeks of study afterwards and worked really hard at it. We had to prepare a three-hour exam and submit a big assignment and out of 25 people I was one of five that passed. And you know what I'm saying is that hard work does get you somewhere."

CHALLENGING TIMES

While the Carman's story reads like a fairytale, it hasn't always been so smooth sailing. Carolyn has faced her share of challenges, but they have driven her to improve her business.

About eight years ago, Carolyn learned that her products would be delisted from a major supermarket's shelves. "That was the worse thing that really ever happened, when I got that phone call. The fact that they came in and cancelled all the orders with no notice was devastating. It was also about the way it was done as we never got time to respond. We just heard they would stop selling us and that was the end of the story."

Again Carolyn worked hard and says the experience left her a better operator. "In the end, the supermarket ultimately supported us and it took us about 18 months to get reinstated. What I learnt from that is to really work back to the required KPIs. It's not necessarily about me saying 'I love this recipe' – the experience has really driven my need to know what I must do to keep the product on the shelf. It's all about the numbers."

SELF-MADE WOMAN

An entrant on the *BRW* Young Rich List with a reputed net worth of \$55 million, Carolyn's success is even more impressive when you consider that she has taken no external investment into the business. "It has been totally self-funded. I'm a massive believer in self-funding as then you just do the stuff you can afford at the time and if something falls over, oh well! Doing this on my own has meant that I can go as fast or as slow as I want. I don't have to report to any other shareholders and I love that. I love the fact that it is my show. If there were shareholders, I would feel differently."

This year marks Carman's 20th anniversary in business, and at the same time that Carolyn has been growing her company, she's also been growing

her family. She has four children – Will, 9, Lily, 7, Oliver, 5, and Grace, 3 – and says she couldn't do what she does without the support of her husband, Peter. He is the primary caregiver for the children and also runs the family's farm. "Peter's the opposite of what people would think. He's incredibly proud of what I've achieved and a great dad too. In relation to the children, I would've been quite happy with just two but he said: 'that's not your decision to make alone, and if we have more I'll get up during the nights and do all the nappies and everything else', and he did!"

This family-friendly outlook on life and business is something that's reflected in the Carman's office culture. "I believe it's possible to have a very flexible work environment and a great maternity leave policy as well," she says. "We always try and be generous with our team. For example, they can have their car washed fortnightly and if our team members have less than 10 emails in their inbox by Friday lunchtime, they can go home."



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RECIPE TO RICHES

Carolyn is a judge and host on the new Network Ten show, *Recipe to Riches*. At first, she was a little hesitant to get involved. "They contacted me and at first I wasn't keen, as I don't really want to be any more well known but they said why don't you come to Sydney and have a coffee so I did. I went back home and told Pete about it and he said that this is a great opportunity and that I should take it, so I did and it's been great fun. We filmed up in Sydney over a month and I commuted back and forth and brought the kids on set. But I was right – now I go down the road and everyone recognises me," Carolyn laughs.

With an international empire, a TV show, speaking engagements and board appointments, you'd think it might be difficult to choose a career highlight, but Carolyn doesn't hesitate in naming her greatest achievement: "My proudest moment is definitely winning the Telstra Businesswoman of the Year in 2012 – for me it was my career pinnacle, but my career doesn't completely define me – I really enjoy family life and having a big happy family is what's most important to me." ❖