

# EX 1 Cosmetics – Farah Naz - Transcript

## **SPEAKERS**

Claudia Winkleman, Farah Naz

### **Claudia Winkleman 00:07**

Hello, I'm Claudia Winkleman, a huge welcome to Business unusual from Vodafone Business. I'm meeting some of the UK most inspiring entrepreneurs. They've founded their own companies, built successful businesses and invariably learnt lessons along the way. They are in so very many ways, much better than me. Today I'm talking to the extraordinary creator of EX 1 Cosmetics, which have been recognised as the world's number one makeup brand for olive skin. Its ethical products are worn by Michelle Obama as well as Hollywood's hottest and hippest including Margot Robbie and Joaquin Phoenix as well as Cardi B, and a couple of the Kardashians. The range was developed by a biochemist who just couldn't find a foundation to fit her own skin tone... So she made one. She went on to become Businesswoman of the Year in 2018. Today, my guest is the extraordinary and brilliant Farah Naz - huge welcome Farah, thank you so much for joining me.

### **Farah Naz 01:06**

Thank you so much, Claudia. What a lovely intro.

### **Claudia Winkleman 01:09**

Tell me all about... and you very kindly, and I'm now addicted, officially obsessed by your products. Tell me all about the products you make.

### **Farah Naz 01:16**

So the products that we make are focused on the complexion. So we focus on complexion based products, foundations, in particular, as a foundation is very much a hero product. And it really started because I couldn't find a foundation to match my skin. Obviously, I'm naturally olive toned. And I could literally just find nothing being a biochemist, I decided that you know what, something needs to change. And I realised I wanted to change things at the pigment level. So we took that scientific knowledge, and I applied it to the world of beauty, and, you know, created a completely unique blend of pigments. And then the result is EX 1 Cosmetics.

### **Claudia Winkleman 01:51**

And people are going absolutely nuts for it. I mean, I've got a whole list. It's 17 pages of A4 of very famous users. But I'd love to take you back to the beginning. I mean, as a seven year old, you were coming up with corporate ideas, I believe, what were you going to sell back then?

**Farah Naz 02:07**

Oh, wow, really good question. And so yeah, I think my very, very first one was actually cakes. I wanted to call them grandma's, er, grandma's cakes, and I'd made a logo for it. So it was whatever was happening in my world at that time. So yeah, I would I would sort of make my own soaps. And I'd want to think about, you know, maybe opening a soap company one day. So yeah, it changed all the time. But it was just something that I suppose I instinctively had.

**Claudia Winkleman 02:36**

You absolutely must have done. And as you grew older, when you were a teenager, did you think I'm going to be a founder of a very successful business? Was that the aim? Because I love the fact that you were fascinated by science?

**Farah Naz 02:47**

Yeah, actually, Claudia definitely wasn't the aim I have to be honest with you. It's funny, I sort of had this sort of instinctive passion for business, I suppose. And I think it wasn't really business per se, it wasn't really the commercial side, it was more the product development, the concept of changing the status quo and adding value. And I think it was very much something that I fell back into. So you know, I went along, did my degree that happened to be in biochemistry, there was no grand plan. I never thought right, you know, I'm going to do this degree in biochemistry so that I can then make the slider cosmetics it just wasn't planned that way at all. And then when I finished my degree, and I was faced with a problem of not being able to find a foundation that matched my skin, and realising, you know, after reading all the market reports, speaking to friends and family that, you know, I felt that somebody needs to do something. And it was that realisation that maybe that somebody might just have to be me. So yeah, no, no other note, no big plans, per se, I'm afraid.

**Claudia Winkleman 03:43**

And when you made that, because that's a huge decision to make. Were you nervous? Or did you question yourself, because I remember from series one, it was fascinating to talk to these business leaders. And they said, if the self doubt comes in, it doesn't work. You just got to go, you know what, this is what I'm going to do.

**Farah Naz 04:01**

I was at the same fight, I would say yes, I think that you have to have this absolute unwavering belief in your concept. One thing I never doubted was my concept. And I think as a founder, you may end up doubting yourself because we all have our insecurities. And, you know, but the concept itself, I think that's something that you absolutely cannot doubt. Do I have the ability to see this through to fruition? And, you know, I think with business in general is always a snowball effect, you know, you start small, you don't just put loads of capital into it at the beginning, I think you have to really test and play. And so it was really that way that we sort of slowly started to grow, I would make some phone calls and I as I

realised that people were responding really well, to the actual proposition that I had in place. It just, it just grew and grew.

**Claudia Winkleman 04:46**

Why do you think that those foundations, those colours, those pigments weren't available?

**Farah Naz 04:50**

It's an interesting question, actually. And I learned the answer the very long way. Actually, I did a trip to Italy and I went to the home of colour cosmetics which is very much Lombardi. It's a bit like Belgian chocolate, you know, they make, you know, the Belgians make amazing chocolates. It's the know how it's, you know, 40 odd years of knowledge that's passed down to the Italians. So I went there, first of all, and what I really discovered was that actually, the way that pigments are bought and sold is that brands are just buying the same pigments, they're buying the same oranges and the same pinks. And actually, in a billion dollar industry, nobody's actually thought to question the pigments themselves. There was a lot of sort of let's, let's make the sensory feel better. Let's make a foundation that can last 36 hours for people that never want to take a shower. But, you know, it was, and nobody really sort of thought What about the pigments were just oranges and pinks. And I think, you know, the whole concept of colour is very complex, you can't just take the wrong base, and start adding black and white, so to speak. To make it lighter and darker, you have to start with the right undertones. What we did, what I did was that I curated a range of golden yellow undertones and moved away from the traditional pinks and the traditional reds. And I think that's really where the differentiation lies with us, we really do disrupt, not just at the brand level, it's actually in the pigments themselves.

**Claudia Winkleman 06:11**

How - just because I'm fascinated, because I'm just thinking of you this brilliant biochemist in a white lab coat popping out on a lunch break, trying to find something that matches her skin. How would you - how - it must have been frustrating... And how would you do it? Would you have to mix colours? You must have just thought? Come on, guys, it can't be that complicated.

**Farah Naz 06:31**

Yeah, it was very much a mixing and matching situation, what I discovered was that in the premium sector, which is actually only - I won't get into the boring stats too much - it's approximately 30% of the industry. The rest is very much a drugstore mass brands, premium heart, you know, there were a few luxury brands out there that were doing, you know, decent job. But in the drug stores, there was literally nothing at all. And so even with those premium brands that were slightly lean towards more of an orange issue, I would end up mixing and blending. But the problem with that is if you start with the wrong pigments to you know, to start with, however much you make some plans, you will not quite nail those undertones. And I think that was the problem, you can get the... you know, it's those tonal differences

which which, which are problematic. And that's where you really need to start from the beginning.

**Claudia Winkleman 07:19**

What was the reaction from the beauty industry, when you launched and went, guys, we're doing something completely different?

**Farah Naz 07:25**

Yeah, it was, it was actually very positive. I think when I initially launched, I was terrified, because I thought, gosh, you know, that's, that's when you read you question yourself. And that's when all the doubts creep in, when you actually launch and think, oh, my gosh, everyone's gonna think I'm crazy. Or maybe this isn't gonna work after all. And I think that's the time that I had the most hours. But thankfully, I think there were a few people in the beauty industry that noticed very, very quickly. And they ran some really great headlines about what I was trying to do, I think that they could see the vision that they that I had, and some of those journalists shared the same problem. So actually, quite quickly, the press attraction started to grow. And then I think the rest is sort of history when celebrities started picking it up, and started using the products organically. And they started tweeting it. And I think that the word of mouth aspect really kicked in, because people were just so passionate about finding their holy grail foundation, I think foundation is one of these products in a woman's makeup kit that you know, if you find the right one, people will stick to it, there is a lot of brand loyalty. And so it's like it's like moisturiser. And so yeah, we're very lucky. I think by having people that, you know, were able to see what I was doing in terms of the industry, they were very, very supportive. And I can't thank the British and international beauty industry enough for their support.

**Claudia Winkleman 08:42**

When you were - again - white lab coat obsessed. And you had all this knowledge because you are a brilliant biochemist, it was there a eureka moment when you when you say you found those gold undertones and you found this foundation and you thought whether your friend would use it, you could use it or somebody just seen on the street could use it. And you created the product. Was that very exciting?

**Farah Naz 09:05**

So I think, yes, there have been a number of sort of, I call them sort of moments on my heart skips a beat. And I think, you know, there's eureka moments, but yes, I think that, you know, when I actually formulated the products themselves, and they weren't, and I, it's with foundation, it's a lot of matching colour by I, there are these big fancy machines called spectrophotometers, which will actually accurately measure colour, but actually, the best foundations come from actually having an eye and a team of really trained scientists. So it's a lot of trial and error. And we would mix and blend and we did this for two years actually. And I think eventually when it came down to the final line. I remember putting it on my skin and literally, I did stop breathing for about two seconds, I think because I knew at that point

that it was something amazing. I really... it's an amazing feeling when you supersede your own expectations. And I think that moment is one that I definitely wouldn't forget.

**Claudia Winkleman 10:02**

it's so interesting what you just said. And I don't - there are lots of people listening to this, who are budding entrepreneurs or they want to start something - and what I hear in you is that there wasn't an enormous rush, I don't mean that you were going slow, but you wanted it to be perfect and great.

**Farah Naz 10:18**

Completely, Claudia. I definitely think that you have to do the detail, it's so important, I'm a big believer in focus on the detail, and the bigger picture will come together, I was never somebody that had this big vision of, you know, I'm gonna, you know, make this some big global brand. And it's going to be some huge success, I think that I was really focusing on the products, making sure that I was really happy with them, it was something that I wanted, because I was on the consumer end of this, I'd suffered with not finding a foundation for my skin for years. And I think that actually just being able to crack that problem was really what drove me and gave me that buzz. So you know, I yeah, I'm a big believer in... focus on the detail and the bigger picture will come together.

**Claudia Winkleman 11:01**

And who were your - often founders and brilliant CEOs, they need a support network - so when you were having a wobble, or when you went, Oh, this isn't quite right. Did you really rely on family and friends? And they just went keep going? Or was it you yourself? He was just like, I'm doing it?

**Farah Naz 11:18**

Yeah, it's it's a really interesting question. You know, look, I'm so blessed. I have incredible family and also amazing friends around me, who, you know, are all wanting the best of me and always have done. I think when it comes to entrepreneurship, though, it's great to have support... but you never want to get to a point where you are relying on friends and family to pull you through and say, right, get up, you've got to start to sit by your laptop. It's so tough out there that you need to have that come from within yourself, actually, you really need to be able to no matter what, and I think the thing again, with entrepreneurship, or, you know, business in general is that life goes on no matter what is happening around you. And you have to have that absolute inner resilience, absolute laser beam, focus that, okay, I'm having a difficult moment, I'm going to pause, I'm going to maybe take the rest of the afternoon off, I'm going to have a cup of tea, I'm going to phone a friend or whatever it might be that helps you relax, but you always know that support network or not, you're going to get up and you're going to you're just going to continue the next day.

**Claudia Winkleman 12:22**

That's so interesting, and also brilliant advice for anybody who's listening who goes alright, okay, if I believe in it, it will happen. And tell me about the importance of Superdrug in your, in your journey.

**Farah Naz 12:36**

So, we started working with Superdrug back in it was 2019. Actually, in July that we launched with them and prior to that we had some we have lots of other amazing partners that we work with. But Superdrug are just a phenomenal company in general, I have a lot of respect for them, because they are a huge organisation. They're actually part of what's called the AS Watson Group, which is the biggest health and beauty retail group in the world. But what I absolutely love about them is the team is just so entrepreneurially driven. And that's quite unusual for large companies. And I think that's why they were an absolutely brilliant partner for us because I think, you know, smaller startup, how fast growing you are companies partnering with very large, slow moving organisations, who don't have the same agility that you do and don't work in the same way that you do can be very difficult. But I think Superdrug understands the concept of innovation really well, they can see innovation, they recognise it, and they act quickly. And they have just been a dream to work with. The team is amazing now.

**Claudia Winkleman 13:38**

I've got to ask you, why is it called EX 1?

**Farah Naz 13:40**

Oh, gosh, I really need to come up with a good answer for this. I don't. It was supposed to be Exact Match cosmetics. And the idea was obviously that the pigments exactly match your skin. And what happened is when we follow that name with I think they're the trademark people. I had a phone call saying that you can't have that name because it's too descriptive. And they said, Can you just quickly think of a name and I came up with I just want EX1 and it stuck. And that that's the story.

**Claudia Winkleman 14:08**

Okay. That's a very good story. It's perfect. You don't need to add to that I'm very keen.

**(Claudia, pre-recorded promo) 14:15**

From my chat with Farah in just a moment first I want to introduce a wonderful new initiative from Vodafone Business. In the last year, there's been a huge rise in the need for businesses to get online. Small and Medium Enterprises make up 99.9% of the UK business population. founders and entrepreneurs have never had so many decisions to make when it comes to technology. Digital skills are more important than ever, but at least a third of small business owners in the UK said they aren't sure which tools will best suit their needs. Many haven't invested in any digital support. Some have only the most basic cybersecurity. That's why Vodafone have introduced business dot connected - a free online training programme to

support 100,000 businesses across the UK. It offers free webinars, workshops, and online training modules, there are different levels of upskilling to cater to those just starting their online journey, as well as businesses looking to build on existing experience. Find out more via Vodafone Business, online knowledge and Resource Centre, V Hub where you can sign up to business connected and connect your business to the free tools and training. You need to digitally transform - search Vodafone Business V hub.

**Claudia Winkleman 15:37**

You're listening to me - Claud - talking to the wonderful Farah Naz about her extraordinary cosmetics range EX 1. How hard was it to convince investors at the start? And were there times that you worried it's just not gonna happen?

**Farah Naz 15:51**

Yeah, definitely, I think, you know, convincing investors about something at the very early stage of a business, when you have probably no product you've got nothing tangible to show, it is a very difficult thing to do. Also, when you're raising a smaller round, you don't tend to go to investors that are in the space, they're just more sort of, you know, single ticket investors that will be investing across all sorts of, you know, sectors, and they don't necessarily know your industry, they don't have a lot of knowledge of say, in my case, the beauty industry. So it becomes even harder to convince them to invest. And I think really what they're looking for is that kind of passion. You know you have to have an amazing kind of pitch. But yes, it is incredibly difficult. I had an awful lot of rejections. But what mattered was that I did raise, and I think subsequent rounds actually get a lot easier after that.

**Claudia Winkleman 16:41**

And when you are knocked down when somebody goes 'oh, no thanks'. How do you not just go home, get under a duvet and go, Oh, whatever. I'll do something else.

**Farah Naz 16:51**

Look, I mean, you know, entrepreneurs, we're all humans. And sometimes we do have our DVDs, you know, so, you know, if you if you have, you know, terrible rejections. And of course, you know, it does impact you. But I think that I'm always looking to say, right, what, what did I do wrong? That potentially they did not understand my concepts. In the case of investor, how can I make my pitch better? Why did I get the outcome that I had? And I think that everything is a learning opportunity. I think if you adopt that approach that okay, there is a learning here somewhere to be had. That's very much the approach that I took. So I'd process what happened. And then maybe I'm just a bit of a Loon, maybe all of us entrepreneurs are slightly crazy. But it's just that workhorse mentality where you get up and you try again, and you just keep going. And I think it's all down to what your definition of a failure is. And you know, that definition is very personal to different people. For me, it's all about if I don't get up and I don't try again, I have failed. So even if things go wrong, I don't see that as failure. And it's the moment that I don't get up but I don't get out of bed. And I'm you know that that's when I that's when I would have failed and I didn't want to fail.

**Claudia Winkleman 17:56**

I love listening to we might have to talk for 17 hours, a few times. When did you know? Do you know what, even if you just set it to yourself quietly, I've done this have absolutely smashed kt. You know, when Michelle Obama goes, Oh, yeah, this is my shade. Or when Margot Robbie goes, I can't live without this concealer it those are the moments or is it when you and your team on a Friday night come together and go? Look how many products we've sold? When is the moment?

**Farah Naz 18:25**

Yeah, it's a really good question. I think you know, it's different for different entrepreneurs. I feel personally, I haven't had a moment where I've ever felt, wow, I've really smashed it. I just have never had a moment like that. I think entrepreneurship in general is a series of intense highs. And I don't want to say intense lows. So I'm going to say intense challenges. And people will see the highs but they won't see the challenges. So people will see the media frenzy around the brand, but they don't see what's happening that we're frantically paddling underwater, you know, and cool as a cucumber on the on the surface of the water. So I think it's about never getting emotionally too happy or too sad. You have to just learn to cruise in the middle somewhere, and then eventually exit. And I think potentially if we were to exit, which I'm not looking to do at the moment, while every business wants to exit as my business will. But I think at the moment, we're still growing. We're still having fun, possibly when I exit. Maybe at that point, I might think okay, we finally did it.

**Claudia Winkleman 19:24**

That's Wow. So you just say middle course, because anybody listening. And I've read every single one of your cuttings. And as I said there are a gazillion of them out. But no, I have people can't live without your products. And like you say, I mean, I'd be quite, I wouldn't be happy to not be married to my husband, but I would be devastated if I couldn't have my foundation. By the way. I love him. But what I mean is these people, they've become completely attached to your products. And it's just so interesting to hear that that doesn't make you go...

**Farah Naz 19:57**

I think that's that's a really good point. I do think that when you get emails from people that love products that does make me actually super happy. And actually, as much as I'm so grateful, we've had some amazing support from actually, you know, people, you know, Hollywood celebrities, and so on. Sometimes they'll pick it up, they'll wave it on their Instagram, and I'm like, Oh, wow, thank you so much. That's incredible. The thing that I think probably does mean the most, is actually when you get those emails from those just everyday girls, who will write something really emotional. We've had emails from people saying, you know, it's my, it was my wedding day. And you know, thank you so much for actually providing something because I've got blemished skin. And those are the emails that resonate with me personally the most, because I am reminded that is exactly people like that, that I created the products for, and it does make you feel a bit like you know what, it's

going in the right direction, it's reaching the people that it needs to reach. And for me, that is, that is the thing that gives me probably the most joy in all of it.

**Claudia Winkleman 20:51**

When do you stop thinking of the new? At what point do you think you go, this is our collection, nobody touched it. It's delightful. I'm going on holiday, and throwing my phone in the sea, or are you constantly innovating.

**Farah Naz 21:04**

Beauty in general is driven by innovation, you know, it's very trend focused, we are not really a trend focused brand, we're much more about products that are needed. And I sometimes say it's about providing solutions to problems, which are sort of painkillers, not vitamins, we are a must have product, you know, as opposed to a nice to have product. And I believe there is always scope to add value, you just have to listen to what people are saying. And that's how we do things. So we will do a lot of social media listening, we will look at all the emails very carefully as to what people are saying, even any critiques that they have on the products, I think, you know, actually sometimes when people don't like something, they are your best source of information for learning. So we will look to what it is that people want. If it's a problem that I can, you know, understand myself, then that's when I think, gosh, you know what, like, maybe we need to think about this guy's let's, let's let's start, let's start formulating

**Claudia Winkleman 22:10**

Amazing. You're so humble, if you don't mind me saying in an adorable way, you're like, No, I'm going to get excited. Yeah. But your your fellow bio chemists from university in your great friends and your family, are they to you sometimes walk into a room and see that they're doing a small dance?

**Farah Naz 22:29**

They are so sweet. And so lovely. And all the people around me are just so supportive. And I know they're really pleased for me, but I think it's great when I meet my friends. We never talk about the business actually, we're straight into like, everyone's personal lives. And you know, what's, what are you doing? So it's very relaxed with us. And I think what I love about all my old friends is they just see me for the other side of my life, you know, as opposed to just just my work. But they do occasionally turn around and say, you know, we're really proud of you. And I'm like, Yeah, thanks, guys. So So yeah, yeah, no, they I'm blessed with great friends.

**Claudia Winkleman 23:05**

What is your advice? For anybody listening going? There ks something missing in whatever it is that they need? And they go, Hmm, maybe I should just do that. What's your advice to entrepreneurs - budding entrepreneurs - out there?

**Farah Naz 23:19**

I think if you have an idea, and it's a really sort of gut driven idea that you think is compelling, I definitely would not ignore it. I think the first step that I took personally, and I would recommend is go somewhere like the British Library where they have a lot of market reports, because it's all about research at that stage. If you find that there's enough people facing this big problem. And potentially if you can add some technology to that problem, or solve or innovate that problem to a solution, then yes, do not ignore that feeling. Because you probably are onto something.

**Claudia Winkleman 23:57**

That is excellent advice. So you created this wonderful cosmetic brand, because you needed something. What do you need next? I mean, I just wanted to get inside the head of whether you're going oh, that's quite a nice idea. A sandwich maker in the shape of a palm tree? Yeah, maybe not. I mean, good luck with it. But if are you thinking of the next you know,

**Farah Naz 24:16**

I think when you're a founder of a company and you have an entrepreneurial mind, you can actually drive yourself crazy by thinking someone could just do something about that problem. And you are always almost like an ideas factory where you're always switched on looking for how things can be better. But I think quite honestly speaking, Claudia, I think after after this business is sort of where I need it to be. I think I'm gonna have a good long holiday probably. And then and then I'll decide what I do next.

**Claudia Winkleman 24:45**

Well, we wish you all the luck in the world and thank you so much for talking to us. And your products are extraordinary. If anybody's listening going, hold on a minute. I'd like a little go. They're fabulous. Like just delicious. And adorable. Thank you for talking

**Farah Naz 25:02**

Well, thank you so much really appreciate it

**Claudia Winkleman 25:10**

I loved talking to Farah about EX 1 Cosmetics How wonderful to have the skills to fix a direct problem you feel passionate about. In our next episode, one of my favourite subjects in the world. I'll be talking to founder Taymoor Ataghetchi, whose bespoke stationery service Papier is thriving, mainly because of people like me. Thank you so much for listening to Business Unusual, we'd love you to rate and review the podcast. And please do subscribe to hear more from the UK. most inspiring founders in this series from Vodafone Business. Goodbye.