

# KAZ'S delicious OBSESSION



IT STARTED WITH CHRISTMAS CAKES AT LOCAL MARKETS. OVER MANY YEARS THE INDEFATIGABLE KAREN (KAZ) STAPLES HAS TACKLED BUSINESS GOALS WITH A FIERCE DETERMINATION. TODAY, ALTHOUGH THE PURE DELISH FOUNDER'S HAVING TO LIGHTEN HER WORKLOAD, HER PASSION REMAINS UNDIMINISHED.

BY GLENN BAKER

**K**az Staples was born to bake. She received her first cookbooks around the age of ten. Her goal was to bring every single cake recipe on those pages to life, and she quickly moved on to create her own recipes.

A hard-working, DIY, make-your-own-luck entrepreneurial gene runs in her veins. Back in the day her parents owned Alert Locksmiths. Ironically her son now works for her brother, who had purchased the 45-year old business from her parents.

So it would be two 'obsessions' – baking and business – that would inevitably define her life's journey.

As a young girl, Kaz remembers loving the kudos and positive feedback that home baking generated. Food became her love language.

"We were a foodie family. Mum was a wonderful cook. She really understood the value of healthy food and what it brought to the family. And she was a bit of a trendsetter."

Kaz admits to getting much of her business nous while working in her parent's business between the age of 17 and 21. During that time she learnt the importance of being an accomplished communicator and mastering "the art of giving good direction".

When she was 19, her parents holidayed in Europe for two months, leaving her in charge of a busy team of locksmiths. It was her first big test and she passed with flying colours.

Next stop on her journey was Sydney where, living with future husband Dave, she spent several years in a sales-based role. "I was at the coalface driving around in a car, and I learnt a huge amount," Kaz recalls.

They returned to Auckland when Kaz was 25 and pregnant with her first child. They have two sons: Tom (now 24) and Elliott (21).

But life was about to change, as Kaz embarked on her Pure Delish journey.

With a 'hard work won't kill you' attitude, the young mum found herself holding down three jobs – in retail fashion, jewellery and after-hours modelling work.

"I was always looking for the next big thing – something that would not only put food on the table, but take me somewhere," she explains.

In Christmas 1997, strapped for cash, she turned out several hundred Christmas cakes from her home kitchen – selling them at local markets, from the front counter of her parents business, and through friends.

"I'd set my alarm to wake myself up in the middle of the night



## KAZ'S QUICK TIPS FOR BUSY OWNERS

**1** Encourage strong communication lines with suppliers, your customers and your employees.

**2** Treat your staff as you would want to be treated. Without your people you have nothing. Learn how to manage and love them by creating a community within your business.

**3** Demonstrate integrity in every decision you make, because then you can sleep at night. In the early days this can be tough because you're more stressed and more tired and desperate times can lead to desperate measures.

**4** Always know your numbers and don't wait for profit and better margin to come as you scale up. It won't necessarily work that way.

**5** Be careful what you wish for. If you bring in the big guns to grow your business, be prepared to live with the consequences of that decision.



to take the cakes out of the oven."

They sold like hot cakes. Kaz earned several thousand dollars. It was a feeling of accomplishment she still remembers to this day.

The following Christmas she hired ASB Stadium's commercial kitchen and churned out cakes by the thousands under the Delish Fine Foods label, tapping into the then popular gift basket market. Soon she was turning over up to \$150k in cakes each Christmas period.

But producing and dispatching thousands of Christmas cakes in such a short time span took its toll. Kaz recalls one day sitting on the steps outside her house crying from sheer exhaustion.

It was tough going. Sales were understandably seasonal. In those days supermarkets avoided gourmet products and there were no Nosh or Farro Fresh-style stores.

"The turning point for us was when Farro Fresh opened in 2006," recalls Kaz. "I'd already thought of cereals as a means to create year-round income, but Farro co-founder Janine Draper, who happened to be a friend, gave me six weeks to come up with a premium muesli."

The initial batch of product quickly sold out. It was the beginning of the real success of Pure Delish.

Surprisingly they were still operating out of the tiny kitchen at ASB Stadium. Today Kaz still tears up just thinking about how they managed on two little ovens.

### HARD TIMES AND DETERMINATION

Determined to boot-strap her company in order to maintain control, Kaz was continually juggling cashflow. She didn't really want to bring anyone else into the business and looking back she's glad she didn't. "It would have been a disaster," she says. "I am way too single-minded and opinionated to have to consider others in big decision-making."

There was a helping hand from her parents in the early days, who loaned

\$20k. But the GFC in 2007/2008 made matters much worse – devaluing their house overnight, pulling back overdraft facilities and sending them into serious financial difficulty.

Kaz knew she was onto a winner with Pure Delish, but couldn't borrow money.

Then a good friend came to the party. "It was an absolute lifesaver," recalls Kaz. "The business was still very small and making no money – on paper it was a disaster. But I knew that it was going to be a success. The tipping point was coming."

"When you hit rock bottom, there's only one way to go. There were times when I paid staff out of my own pocket."

That tipping point finally arrived six years ago when Kaz moved the business to her own premises in Elizabeth Knox Place, St Johns.

"I remember thinking if we can get to \$1 million a year, we can pay the rent and we'll be able to stay."

By then the independents – Farro and Nosh – were on board and Kaz was starting to sell into the supermarkets. Today Pure Delish is a supermarket brand – albeit a boutique one.

"We had to get into the supermarkets to grow the brand. But this was a whole new premium category, and that required educating people."

"One buyer told me I had rocks in my head. I said, 'just you wait and see; consumers are ready for a better quality cereal product'."

"I was stropopy; I'd just turn up. I remember being marched out of a few buyers' offices!"

Kaz may be a passionate foodie – but she's equally passionate about health. Into paleo food and the CrossFit regime – she has always looked after herself and is always searching for the next trend.

Every Pure Delish product is her own creation. Taste and responsibility take priority for new product development, she says. Which is why, for example, coconut nectar, with its low glycaemic rating, has been increasingly used as a sweetener instead of honey.

"It's not about price, it's about value



– staying ahead of what people want, and never cutting corners."

Staying ahead in an increasingly crowded health food market requires the same integrity and authenticity that Pure Delish entered the cereal market with. Kaz puts her pride on the line – if anyone queried that integrity and authenticity she would gladly pay their airfare to visit the factory and see it for themselves.

Kaz and her team must be doing something right. According to Neilson supermarket data, in 2016 New Zealand's total breakfast category grew by 1.2 percent. Compare that with Pure Delish sales, up 36.4 percent. "Our brand was responsible for 46 percent of the category growth last year," says Kaz.

### WAKE UP CALLS

Resilience and a 'never say die' attitude have always been key drivers in Kaz's business life. "I do a little mentoring, as a way of giving back, and always emphasize there's no magic wand in business – you have to work really, really hard."

"It's almost impossible for there to be balance in your life if you want a successful business," she adds, "particularly if you're a woman."

People don't understand how unbelievably hard business owners work in order to succeed, she believes. Particularly when building a business organically. Looking back, she recalls

countless sleepless nights; times when she wondered how she would survive; how she would pay the bills; "how would I get raw materials to the factory to make product today, when I can't pay the bill? How would I make things work?"

Then came a bombshell in May 2015 when Kaz was diagnosed with breast cancer – necessitating major surgery and months away from work. For the super-fit, healthy-eater it came as a major shock.

More challenging times followed last year when there was a reoccurrence of the cancer, requiring more surgery and radiation treatment – and there was the added trauma of both her mother, and Dave's father, passing away within a few months of each other.

The one positive note through this extremely difficult time, however, was the realisation for Kaz that the business had become "incredibly resilient". "The management team continued to drive the business smoothly and the business has kept on its growth curve over the past two years, even though I'd been away so much."

She puts that down to the love that exists within her close-knit staff – their love for her, for the brand and what they do. She knows her 35 staff would do anything to keep things going.

A year ago, and to help simplify their lives, Dave sold his business and came on board full-time.





"Dave also knows the business inside out," says Kaz. "From the beginning we strategized the finances and knew exactly our break-even."

"We're opposites, but well suited. He's process driven and clever around finances – whereas I'm the creative one. It's great to know we have each other's backs around those big decisions."

Following "everyone's orders" Kaz has had to slow down and eliminate as much stress from her life as possible. No more living on adrenalin.

"I've realised I don't have to control every aspect of the business," she says. "Although having created every process within the business, it is hard to let go, because I am a total control freak."

Being a 'control freak' has been part of her downfall, she believes, but is also responsible for the overall success of Pure Delish. She says a controlling personality is a common trait among entrepreneurs, because they simply have to be on top of their game.

"But when your business gets bigger, you realise that you can't control everything. It's just impossible."

So nowadays she applies her skills to where they're needed most – new product development and motivating and inspiring her team.

The Pure Delish workplace could be described as a melting pot of cultures. One of Kaz's pet projects is an in-house incubator for upskilling staff around health and wellbeing and personal motivation – teaching them everything from English to fitness during worktime.

As for her own upskilling, Kaz admits to never having a formal mentor or advisory board and, apart from Dave, only has ice cream entrepreneur Diane Forman, who has become a close friend, as someone she can go to for advice.

"I used to be in awe of Diane," says Kaz. "But now I can ask her anything. She is so kind and giving of her time."

## AN OPTIMISTIC FUTURE

Twenty years after Kaz's first foray into Christmas cakes, Pure Delish now has ten cereals in its range, and 12 baking lines (bars, biscuits, slabs, and festive cakes). 2017 sees a big push on cookies into the mainstream biscuit aisles. The brand's biggest difference is the fact that it's all handmade – there's not a factory robot in sight!

New Zealand makes up around 80 percent of sales – Kaz believes it's better to establish and build your brand and processes domestically before looking offshore – particularly if, like Pure Delish, you're doing everything under the one roof, with no outsourcing.

She's glad they've stuck to their core products over the years, and not been distracted by other product categories. It's one reason why there is such incredible brand loyalty in New Zealand, she says.



To spread their risk they began exporting to Australia in 2013.

"It's still small; it is tricky, and the premium market is even more flooded over there. It's also humbling – the fact that you're number one in New Zealand means nothing over there."

"Thankfully, most Australians see New Zealand as just another State – not so much as competition."

A deal has also been struck with 23 Fair Price stores in Singapore, and there are sales into China, a market Kaz describes as 'fickle and volatile'.

"You can get a \$50k order, and then nothing for six months. I'm under no illusion about that market."

Tahiti, New Caledonia, Fiji and Bangkok, Thailand are other export markets, and there have been enquiries from the UK.

The business has had double-digit growth most years, with turnover around \$250k in 2006, climbing to approximately \$7.5 million to March 2017. Every month around 55,000 bags of cereal are individually produced in the Pure Delish kitchens.

## TIME TO REPRIORITISE

Kaz is 49 years old; Dave four years her senior. She admits that business is no longer about pushing limits. "We're reprioritising our lives. We just want our business to be really safe and financially secure. To use the profits not just for ourselves, but to give back to staff so they can have better careers and lives too."

Happy staff equates to higher efficiency, Kaz says.

"That's what you can do with a business that's making money and good margin – not a business that's growing out of control and only fixated on turnover."

Looking ahead, she says she would never start another business from scratch. "After 20 years I've been there, done that."

The focus will stay on building the brand and company, she says, and there will be more time for travelling and enjoying life.

"I'm incredibly proud of what we've achieved, but now it's time for me to start living life." **NZB**

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**GLENN BAKER** IS  
EDITOR OF **NZBUSINESS**.