

MAGICAL BLEND

www.magicalblend.com
AUGUST 2003

If you've shopped in a health food store or camped out with backpackers, you've seen the classic blue-and-white bottle of 18-in-1 Peppermint Pure Castle soap. Or perhaps you've succumbed to the luxury of the lavender, eucalyptus, almond, or the tea tree version. You might have noticed the addition of hemp oil in recent years, a decision pushed by Dr. Bronner's grandson, David, 30, now president of the company. You might have showered with it, even brushed your teeth with it, and, if you've seen it, surely you've read at least part of the label.

What you might not know is that this \$8 million-a-year business is the epitome of social responsibility. The company employs 17 workers, the lowest-paid of whom makes \$42,000 a year, with a benefits package so complete Blue Cross says they've never seen anything like it. At the end of the year each employee gets a bonus; this year, they were between \$15,000 and \$60,000. (Don't quit your job just yet—they're not hiring.) They recently installed their first-ever automated assembly line (until last year, every one of the 3-1/2 million bottles a year was filled by hand) so that the older workers could have the option of automation when they get tired.

On top of that, last year they gave away 25% of their profits to charities, including 1000 acres of land near Mt. Palomar to the Boys and Girls Club of America for a camp, and philanthropic projects ranging from digging fresh water wells in Ghana to supporting an orphanage in Xian, China. Says Ralph, "We see our business as something of value, and value isn't about what can make the most money."

How do they do it? By having an excellent product, for one thing. Dr. Bronner's Magic Soaps, as they are called, are as pure and unadulterated as you can get. The ingredients listed on the label are simple: the lavender soap lists water, coconut oil, hemp oil, olive oil, olive fatty acids, lavandin and lavender oils, and rosemary extract. That's it. The packaging is Earth-friendly, and at many health food stores you can refill from the bulk section. It's cheap, and it's the best. And lots of people know it.

They also do it by standing by their founder's beliefs in spreading the wealth rather than supporting the wealthy. Company policy has it that no one—not Ralph, not his sister-in-law Trudy, the CEO, not nephews David or Michael, COO, who pretty much run the business—will make more than five times what the lowest paid worker makes. That's a big difference from your mainstream American corporation, whose CEO averages \$12.3 million, or 550 times what their workers make.



Ralph has a name for it: He calls it "constructive capitalism," sharing the wealth with the workers and with "Spaceship Earth" rather than concentrating it in the hands of a few. "I would love to be on the Oprah show, to talk to one of those \$12.3 million CEOs," he says. "I would ask them, 'Could you live on \$2.3 million?' The next question would be, 'Could you use \$10 million to help your workers?' You see how simple it looks to my father and our family."

Simple. And all from a man who was thought to be insane. Dr. Emmanuel Bronner, who came from four generations of Jewish soap makers in Heilbronn, Germany, arrived in America just in time to escape the concentration camps that imprisoned many in his family. A passionate and eccentric crusader for peace and godliness, he was eventually thrown into the Elgin Insane Asylum outside of Chicago. He escaped, with nothing but family soap formulas in his head and \$20 he had stolen from his sister's wallet, headed to California, and started to sell his little bottles of soap from a tenement apartment.

Caring more about his message than the soap, he was amazed when, in the 60s, his soap suddenly began to sell. His label was making its mark on

the counter-culture. From then until his death in 1997, he was a much-beloved figure, a philosopher with a penchant for exclamation points, a font of wisdom who truly believed that we are "All-One!"

After his death, the family agreed that it would not sell the company, but rather try to continue on the path Emmanuel had laid out. Not that they couldn't have sold out. Says Ralph, "I used to have trouble getting rid of the many companies who wanted to buy us out. They would say, 'we can double your business: don't you want more people to read your wonderful label?' Just the fact that they want to double our business says they don't understand what we're doing. So I would read them this beautiful quote—it's on the Tea Tree: 'I do not care for the big way of doing things. If you want to love a person, you must first know him as an individual. If you go for the numbers, you'll get lost in the numbers.'—Mother Theresa. It works like garlic with a vampire. When I read it to one of these guys, he smiled and said, 'You win, Ralph, I'm not going to fight Mother Theresa.' So I use that a lot. There isn't a corporation on Earth that has that motto. We're going to do it right."

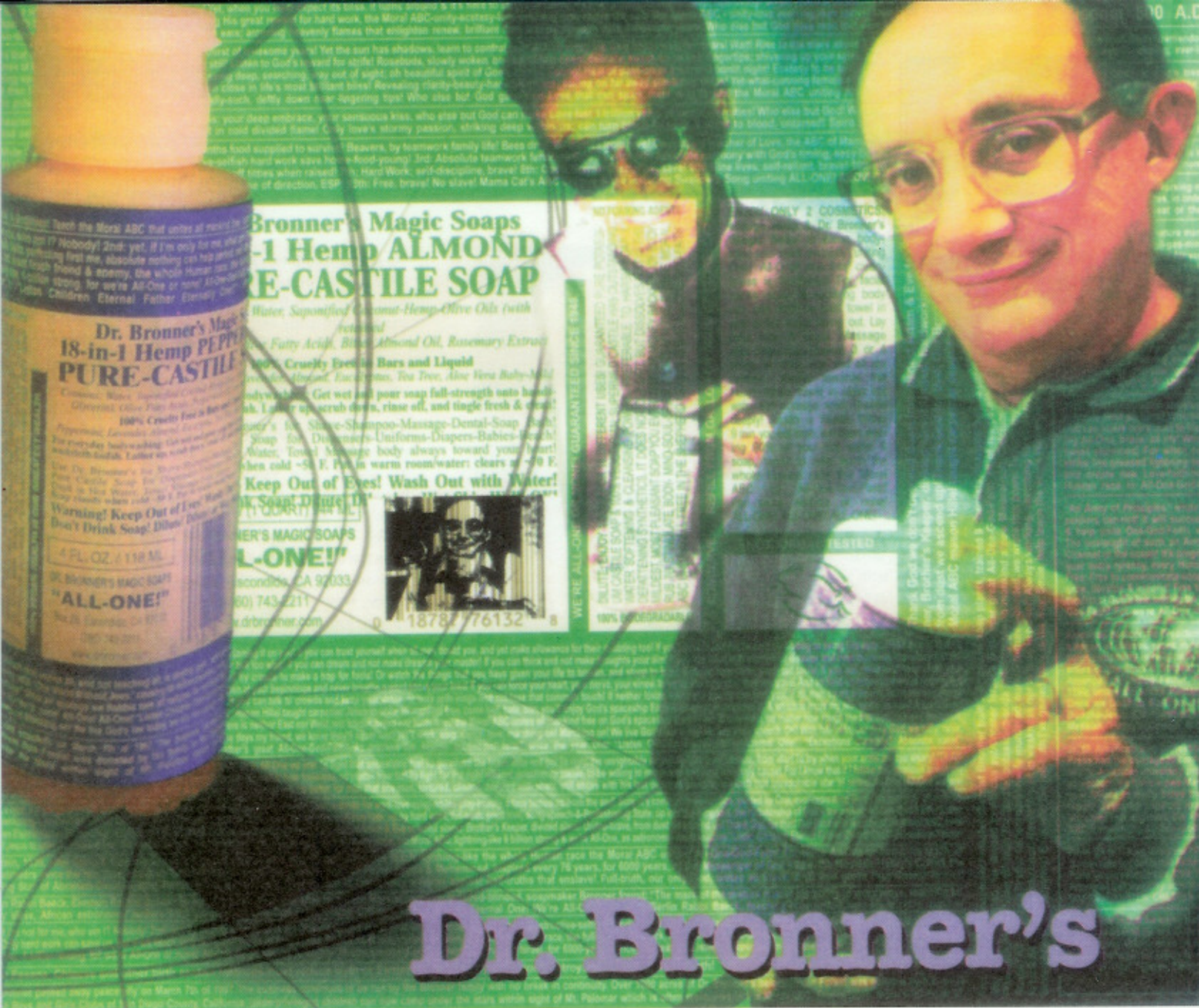
Doing it right, amazingly, has been growing at the rate of 20% a year. That's without any advertising or marketing, other than the country-wide jaunts of Ralph Bronner in his "All 1 God" van, giving away bottles, singing, and telling his stories to everyone he meets.

"Constructive capitalism, like I said before, is one key. I didn't tell you the second key. We are all brothers and sisters because of one eternal ever-loving Father and we should help each other and our planet. Those two sentences cover almost everything on the label. Our entire family feels that we have been blessed. We are so different in personality, but not one member says, "Let's sell out."

As long as the Bronner family has anything to say about it—and Ralph always has plenty to say—they never will.

Dr. Bronner's Magic Soaps
P.O. Box 28
Escondido, CA 92033
(760) 743-2211

Ralph Bronner
W172 N9335 Shady Lane
Menomonee Falls, WI 53051
(262) 255-5511
(262) 257 0414 Fax



Dr. Bronner's

by Susan Dobra

"To keep my health, to do my work, to love, to live, to see to it that I gain and grow and give and give...Enjoy only two cosmetics, enough sleep & Dr. Bronner's 'Magic Soap' to clean body-mind-soul-spirit uniting All-One! Absolute cleanliness is Godliness!... For we're All-One or None"

—Dr. Emmanuel Bronner

Lives Its Label

Talk about a soapbox. Dr. Emmanuel Bronner's philosophy speaks prolifically, in tiny letters, from his soap bottle labels. To anyone with the inclination and eyesight to read them. And his indefatigable son Ralph carries the message on, not only about the soap and the story of this father's unlikely success but also about the business, of which he is rightfully proud and about which he can talk for...well, pretty much indefinitely. He is the classic *mensch*, a true humanitarian, happy with his life and delighted to be able to spread some of his optimism and prosperity—a goofy song or two—around. He'll whip out his guitar as readily as he'll tell you how he used to bicker with his father while typing up the labels of those very same bottles. But the most striking thing you'll hear from Ralph Bronner is that he believes what's on those labels—at least, most of it—and he lives it.