

A recipe for success: Pampered Chef founder to deliver Cutco Lecture

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ALFRED Doris Christopher exemplifies the entrepreneurial spirit that has formed the foundation of our nations' economy. She began with a unique business idea, threw all her energy behind it and with patience and determination helped it grow into a firm with \$725 million in sales, serving 12 million customers worldwide. Christopher, founder and chairman of The Pampered Chef, will discuss her business success when she delivers the fourth annual Cutco Foundation Lecture on Entrepreneurial Leadership. The lecture, sponsored by the Cutco Foundation and Alfred University, will be presented on Monday, April 14, at 4 p.m. in Nevins Theater on the AU campus. The lecture series, sponsored by The Cutco Foundation and Alfred University, is made possible by a gift from Erick and Marianne Laine and the Cutco Foundation. Erick Laine is chairman of Alcas Corp. of Olean, NY, chairman of Cutco Cutlery Corp. and an Alfred University trustee. Christopher's lecture, "Ethics and Leadership: A Foundation for Business," will discuss how ethics and a desire to do the right thing are important to the success of any business endeavor. It's an appropriate topic, considering that her business is rooted in her desire to maintain sound family values. Christopher founded The Pampered Chef in 1980 from the basement of her home in the Chicago suburb of River Forest, IL. Then a 34-year-old mother of two, her youngest child was starting kindergarten and she wanted to resume her career, but not on a full-time basis that would keep her from her family. "Having been a stay-at-home mom, I felt it would be difficult to leave home. I wanted to have a flexible schedule, to be involved with my children, but there wasn't a lot out there in the job market," Christopher explained. Christopher's husband, Jay, a business professional, suggested she consider a home business. "I really wanted to do something in my field, something that I was passionate about," said Christopher. At that time, Christopher said, a lot of mothers were returning to work, and their busy schedules made it a challenge put meals on the table. Throughout her career as a home economist (she has a bachelor's degree in home economics from the University of Illinois) Christopher had always tried to find easy ways to prepare meals. She believed, too, that it is important for families to spend time together at the dinner table. "I saw it as a mission of mine to help working mothers struggling in the home," she said. With limited financial resources, opening a retail store was not an option. Christopher realized that direct selling presented her best chance at success. She borrowed \$3,000 against a life insurance policy and began purchasing, at wholesale, kitchenware items. "I bought only the products I knew and loved, and bought as many as I could." The cornerstone of The Pampered Chef is the "kitchen show": in-home demonstrations of kitchen tools and how they can be used to make meal preparation quick and easy. In the business's early years, Christopher staged the kitchen shows (as often as once or twice a week) before eventually hiring a friend as the company's first distributor. Throughout the 1980s, The Pampered Chef sold kitchenware produced by other companies. But as her firm grew, she began having more and more input into product development. It wasn't until 1992 that The Pampered Chef began selling its own branded products. Today, the business has grown to become the largest branded kitchenware company and largest direct seller of housewares in the U.S. The company has 950 employees, along with more than 75,000 independent kitchen consultants (they put on the kitchen shows). Warren Buffett, chief executive officer of Berkshire Hathaway Inc., was so impressed with the success of Christopher's company that he purchased it last fall. Is Christopher ever in awe at how large The Pampered Chef has become? "Completely. I would never have imagined the company would be this successful. I knew it would be a success, but never at this level," she said. The company's success didn't happen by chance. As with any successful entrepreneurial venture, it required vision, commitment and dedication. "Our passion for the mission of the business was the greatest factor. Without that passion, you just aren't compelled to work as hard as we did. We kept our focus from the very beginning and were determined and diligent from that first day." Christopher says the decision to sell The Pampered Chef to Berkshire Hathaway was not a difficult one, because it ensures the company's continued growth. "I view the sale as a transitioning. The business has more than 75,000 (consultants) and close to 1,000 more employees here in Illinois. I take very seriously the responsibility of giving them secure futures. The business is healthy, strong and vibrant and I am able to stay involved. We've done it at the right time, with the right partner (Berkshire Hathaway). It made the decision easy." A concern for others has been a hallmark of the way The Pampered Chef does business. The firm supports three major charitable endeavors: America's Second Harvest Food Bank and Round-Up From the Heart, which seek to combat hunger; and the American Cancer Society's breast cancer awareness and research programs. In 2002, she and her husband donated a total of \$30.1 million to three universities, including \$10 million to her alma mater, The University of Illinois, for a building which houses an undergraduate program studying ways to strengthen families. "Corporations today have a

responsibility to give back," said Christopher. "It's important to be a role model for other corporations." Laine is pleased to have Christopher as this year's speaker. "The focus of the lecture is entrepreneurial leadership, and when it comes to leadership, it doesn't get any better than Doris Christopher," said Laine, a longtime colleague of Christopher's in the Direct Selling Association. "She epitomizes integrity," said Laine, who pointed to a \$1 million donation Christopher made to the Direct Selling Association to promote sound ethics in business. "She is just a very classy lady, down to earth, with a heavy emphasis on family values." Laine and his wife endowed the Cutco Lecture as a way to bring nationally prominent entrepreneurial leaders to campus to meet with students, faculty and friends of Alfred University. Christopher is the fourth renowned entrepreneur in as many years to deliver the Cutco Lecture. Tami Longaberger, president of the Longaberger Company, delivered the first annual lecture, in 2000. She was followed by David Oreck, chairman of the Oreck Corp., in 2001, and Peter Cuneo, then-president and chief executive officer of Marvel Enterprises, Inc., last spring. "My sense of the series is we've hit three home runs and we're about to hit a fourth," Laine said. "Each speaker has been just phenomenal." Laine pointed out that the lecture is about more than simply attaining great financial success. Longaberger, for example, spoke on corporate community responsibility. Oreck stressed the importance of sincerity, honesty and friendliness to any successful business venture. And Cuneo, renowned for his ability to turn around struggling businesses, spoke of how the principles he has followed to achieve career success have also guided him in his personal life. "One of our fundamental philosophies is upholding high standards of integrity and ethics," Laine said. "With the lecture series, we've tried to find people that demonstrate that. This allows the students and public to see that making money and doing the right thing is not mutually exclusive." Cutco is the largest manufacturer and marketer of high-quality kitchen cutlery and accessories in the United States and Canada. The Cutco corporate "family" consists of Alcas Corp., the parent company; Cutco Cutlery Corp., manufacturer of Cutco products since 1949; Vector Marketing Corp., marketer of Cutco products directly to consumers via sales representatives, and Cutco International Inc., responsible for international marketing of Cutco products.