



By Moon's guiding light

Jeremy Moon, chief executive of merino clothing company Icebreaker, is said to be a lot of fun to work with. But, as **Nikki Mandow** reports, he is also intensely serious about building a global brand.

Nike brand manager Rosanne Palmisano was wearing her Superman T-shirt the day the recruiter called and said Jeremy Moon, chief executive of New Zealand outdoor clothing company Icebreaker, was keen to interview her for a potential job. He wanted to meet in just a couple of hours, in a different city.

On the way to Los Angeles airport, Palmisano considered stopping to buy more appropriate interview attire, but decided on the "take me as I am or lump it" approach. It worked. Superman alone didn't get her the job as Icebreaker's vice-president, global marketing. As well as the initial rushed meeting with Moon, she had done a couple more phone interviews and had to undergo a three-day session with the whole team in Wellington before her position was confirmed. But both Palmisano and Moon agree that dressing like that for an executive-level interview is a good start at Icebreaker.

"What I'm looking for is character and spirit," Moon says. "Working at Icebreaker is fun. When Rosanne arrived wearing her Superman T-shirt we started to make jokes straight away.

"I'm fussy about who joins the company. If she had turned up in a suit, she wouldn't have got the job."

Why exactly would someone leave a good job at Nike (35,000 employees) and head half way around the world to work for Icebreaker (200 staff) – a company they had previously never heard of.

"I called a few friends in the outdoor-clothing industry and they were positive. It was seen as a hot, cool, edgy brand coming out of New Zealand. A lot of Americans were excited about it."

Nearly one year on, does she feel she made the right decision?

"I'm loving the culture and the people," she says. She also enjoyed Nike, "but I don't miss how seriously we took ourselves. It's a great learning experience to enjoy life a bit more."

Yawn. Doesn't nearly every New Zealand company talk about wanting their company to be a fun, exciting place? The thing is, other Icebreaker employees say the same.

On the one hand, you have an executive who, in 1994 aged 24, wrote a business plan for an international clothing company based on merino wool (then an almost unknown fibre) and found shareholders to invest \$200,000. Since then he has built up a business with manufacturing in China, product development in the United States, and sales through 2000 stores in 30 countries. This year, Icebreaker is expected to achieve more than \$120 million in sales - a fivefold increase from the \$20 million it made five years ago.

On the other hand Moon, now 39, can be "particularly juvenile", according to a staff member; someone who loves dressing up, gets thrown out of restaurants for silly behaviour and is the life and soul of the party at overseas trade shows.

Palmisano sees the two sides of Moon as intrinsic to his success. The adventurous, fun, party atmosphere he has created is part of the story that makes good people work for him and overseas companies buy his products.

"If you talk to people in the industry, Americans are seen as serious and aggressive. But people see Kiwis as out there having fun, the last ones to leave the party," she says.

New Zealand marketing manager Lisa Thompson was employed by Moon 10 years ago when she was 19 and had stuck glittery stars on her CV ("I think he thought it was quite amusing"). Being loud at trade shows is part of the reason people do business with Icebreaker, she says.

"We have parties and spend a lot of time hanging out with clients. We get quite a lot of business done over a beer."

Staff may enjoy it, but being "those crazy Kiwis" is also part of the strategic marketing plan. When Icebreaker launched into the snowsports market, the company was up against billion-dollar companies such as The North Face, with multi million dollar budgets.

Moon says the team's tactics involved identifying the world's best resorts and connecting with the best people, from store owners to heli-boarding guides.

"Then the hit squad threw parties in each area and brought people together. We gave them product and good Kiwi hospitality and we introduced them to the concept of a product that performs better, is better for the environment, lasts longer and comes from this amazing natural place. People liked our approach."

Sounds a bit happy-go-lucky? Don't be fooled. Noel Todd is not a man who invests money on a whim. He is a director of the Todd Corporation, one of New Zealand's largest privately owned companies.

In his private capacity, he was one of the first people Moon approached, in 1994, to invest money in Icebreaker. At that stage, the company was little more than a cottage industry owned by South Island merino farmer Brian Brakenridge. Moon



was a 24-year-old University of Otago marketing graduate who was raising money to help expand Icebreaker. He had vision, a business plan and not much else.

Todd, now 69, got involved after his daughter, Juliet, a friend of Moon's, said she wanted to invest in the fledgling company. He was sceptical. His immediate reaction was that neither of them should invest in anything to do with clothing.

"I had a look at his business plan and found it lacking in some areas. But Jeremy had vision and confidence. He presented all the things necessary to get a company off the ground, including being prepared to put his own money on the line. I invested in the person, not the concept."

Todd joined the Icebreaker board, later becoming chairman, and he and the other non-executive director, retired Bank of New Zealand executive Peter Travers, began to mentor Moon. They found him keen to listen and learn.

"In the early days, we were very involved, very intrusive. As Jeremy grew in stature, the amount of detail the board required about day-to-day running of the company, became much less."

Todd was struck by Moon's confidence that his idea would work.

"I remember saying his business plan didn't have provision for bad debts, and he

said Icebreaker wouldn't have any, because people would like the product and would pay their bills.

"I think he put provision in for bad debts, but five years later he reminded me about that – he hadn't needed it."

Moon's entrepreneurial bent started early. When he was 10, his family spent six months in the US, where his doctor father was teaching medicine. Moon, the youngest of four children, discovered cheap American toys. He bought them, played with them, and then sold them at garage sales when he returned to New Zealand.

On another US trip when he was 12, he bought a computer, taught himself to programme it and again sold it later in New Zealand. He used the profit to import other computer-related goods from the US, selling them through a computer magazine.

One of Moon's main attributes is determination, he says. Michelle Mitchell agrees. A former flatmate and Moon's first employee, she worked for Icebreaker for 11 years. One of her first business experiences was watching Moon raise \$200,000, mainly in \$25,000 chunks, in less than a year. "He had complete clarity, even at that stage, about being able to create a global brand from New Zealand. From an early stage, he understood a big picture and lived with that big picture."

Working for Moon was challenging and demanding, but rewarding. "You had huge autonomy. You were given scope and your ideas quickly translated into success. He believes in other people and their ability to perform and pursue excellence."

Another strength, Thompson says, is having "wild ideas" that he pushes into actual products. "Ten years ago, I'd never have imagined a merino dress would be one of our best sellers or that we'd have a range of merino women's underwear."

It hasn't always been easy. Mitchell remembers a costly and embarrassing pattern mistake, in which a consignment of leggings emerged from the manufacturing line three times as big as they should have been. "It was a mini-disaster. He was horrified, but it was a rational horror. It was, 'How can we fix this and make sure it doesn't happen next year?'"

Those close to Moon say he has grown as a chief executive, as the company has grown. He has been able to move from having control over everything, to a more hands-off role. "For a while there were too many people needing to have a conversation with Jeremy [to get decisions made]," Mitchell says. "But he learnt about himself as much as he expected everyone else to learn about themselves."

He believes in other people and their ability to perform and pursue excellence.

Lisa Thompson



Serious fun: Jeremy Moon takes up to 40 people down to the annual Motutapu mountainbike race and "is the mastermind behind the shenanigans that go on afterwards".