

{ ALUMNI SPOTLIGHT }

# What Women Want

Daniel Gaynor, BBA '06, Makes Beauty His Business



At the age of 25, Dan Gaynor, BBA '06, has found success at the helm of *bebeautiful*, a \$5.1 million enterprise.

Growing up, **Daniel Gaynor**, BBA '06, had no interest in the family business. He formed that impression as a boy during breaks from school. That's when his dad would put Gaynor and his two brothers to work in the warehouse of The Nailco Group (TNG), the business he'd founded in 1985. Based in Farmington Hills, Mich., TNG is one of the nation's largest distributors of professional beauty products. It also operates 22 stores in Michigan and northern Ohio.

"I remember one of my first jobs at 10 years old was to fold cardboard into boxes for hours at a time," Gaynor says.

The work deviated dramatically from what he thought was his ultimate dream: to become a plastic surgeon. But as Gaynor matured and prepared to enter college he had a change of heart about TNG.

"I realized I had the opportunity of a lifetime to work with my dad," he says. "So when I got to U-M, I started taking econ classes instead of biology and I applied to the BBA Program during my sophomore year."

In 2005, while Gaynor was still in business school, TNG launched the consumer website and catalog division *bebeautiful*.

Gaynor was named president of the Internet retailer while still a junior at Ross. As a result, he was one of the few members of his class who could make the legitimate and simultaneous claim of succeeding in business school *and* in business. In its first year *bebeautiful* reported sales of \$500,000.

"My dad's philosophy is that you have to fail to succeed," says Gaynor. "So he let me make the tough decisions from the beginning. If I made a mistake, it was okay. I learned from it and became smarter in the process."

Larry Gaynor's confidence in his son's ability to succeed appears to be well-founded. In 2008, *bebeautiful's* direct consumer sales climbed to \$5.1 million; the brand has expanded every year since its inception.

Sales growth aside, Gaynor, 25, admits the real challenge starting off was the delicate task of managing an older and more experienced staff.

"I'll never forget the first review I had to give," he says. "It was for an employee, also a U-M grad, who had been at the company for five years. I know she was looking at me like, 'Seriously? I have to

report to you now?'"

As Gaynor grew into his role as president of *bebeautiful*, he also adapted to his position as a man in the beauty business. He spends hundreds of hours sourcing and reviewing beauty products, many of which he samples before selling online or in the catalog. He also attends beauty trade shows around the world.

"Sometimes I feel like Mel Gibson in *What Women Want*," Gaynor says. "I've learned two things while working in this industry. One: God bless women. Two: Thank God I'm not one."

For his success as a young executive, Gaynor was named a winner of *Crain's Detroit Business*' "20 in their 20s 2009." The annual list highlights local professionals who are "living proof that there's work under way by young people to counter the region's brain drain."

His vision for *bebeautiful* is undeniably ambitious. Gaynor is aiming to exceed sales of \$10 million by 2012 and hopes to rank on *Internet Retailer's* list of the top 500 websites.

*bebeautiful* also participates in an important gender-neutral cause: the American Cancer Society (ACS). TNG is a five-star investor with ACS, meaning the firm participates in at least five programs to fight breast cancer and fund cancer research, education, and advocacy. Gaynor says TNG has raised over a million dollars for ACS thus far.

And even though he currently works for his dad, Gaynor considers himself an entrepreneur.

"*bebeautiful* is a starting point for me," he says. "My dad has built the foundation of a very successful business. Having the opportunity to grow it into a billion-dollar empire and pass on his legacy is what changed my mind about becoming a doctor." ✱ —Leah Sipher-Mann