



Leonard Lauder, his wife, Evelyn, and mother, Estée Lauder, at an event at the Pierre Hotel in New York City in 1986.

LEONARD LAUDER

L EONARD A. LAUDER OFFICIALLY JOINED ESTÉE Lauder at age 25, but for 12 years he had been working unofficially for the cosmetics startup his parents had launched in their family kitchen in 1946. Since becoming Chairman Emeritus in 1999, he has remained actively involved with the company, both as a Board member and internally as “Chief Teaching Officer,” perhaps the proudest role Mr. Lauder has held during his more than 60-year tenure at The Estée Lauder Companies (ELC).

Mr. Lauder notes that ELC is *not* a family business; rather, it represents a family *in* business.

From a depth of experience that dates back to the hardscrabble 1940s, this prestige beauty industry legend surveys the world’s current travails and sees opportunity.

on Saying YES

Publicly traded, ELC is a \$16 billion-a-year company (based on FY21 estimated net sales) intent on serving its customers, employees, shareholders and communities. Today, the company is comprised of more than 25 global prestige beauty brands, including its namesake brand and Clinique, as well as several brands acquired during Mr. Lauder’s tenure as CEO, such as MAC, Aveda, Bobbi Brown and La Mer.

At 88, the story of his long and illustrious life and

career was published as the memoir *The Company I Keep: My Life in Beauty*. In the captivating personal account, Mr. Lauder reflects on his childhood, growing up during the Great Depression, his passion for education, foreign policy, philanthropy, and the art world, and his work growing ELC into the beauty powerhouse it is today. He recently spoke with Katharine Crallé, Director, and Madi Wallace, Associate, both of Brunswick's New York office.

What motivated you to write the book?

I am a storyteller by nature. When I sit down for breakfast, lunch and dinner, I wind up telling stories to my family, my children, and my colleagues.

Also, right now we are in a very crucial point in the United States, and in the world as we're slowly emerging from the pandemic. My parents founded Estée Lauder during a difficult period like this. They were coming out of the Great Depression and the end of World War II. Everything was difficult. A lot of people didn't know where their next paycheck was coming from. It's a natural time to ask, "What have I learned from the past, and what can I do for the future?" Telling my story in this book is a way for me to address that question: "What can I do for the future, based on my past experience?"

Writing the book required you to look back over your life and career. Is there anything you would do differently?

I can't think of anything that I really regret. Now, could I have done a few things a little bit better? Of



Leonard Lauder was born in 1933. His mother, Estée Lauder, later founded with her husband, Joseph, the cosmetics empire that bore her name.

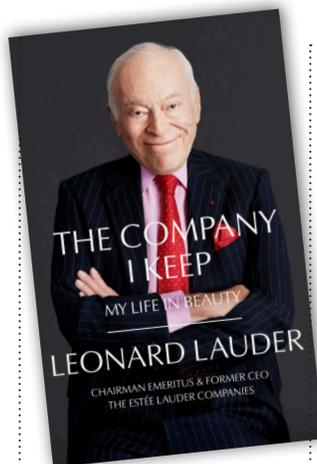


FROM HIS MEMOIR

Teaching kids forces you to focus on the absolute fundamentals of the topic. Start talking about anything extraneous – in fact, start talking about anything except the basics – and you'll lose their attention. However, if you can successfully teach a six-year-old kid – whether you're teaching him how to put his face in the water or coaching her how to hit a softball – you can teach anyone anything.

It's all about confidence. Learning how to swim is about confidence; learning how to sell is about confidence. You can't learn to swim unless you lose your fear of the water; if you're not scared of the water, you can learn to swim.

Years later, I would use the lessons I learned at Camp Arrowhead in our training program at the Estée Lauder company. At Estée Lauder, everything was and



still is about training. It's one of our key differentiators from our competitors. They tend to teach product: "This is a jar of such-and-such and it contains this, that and the other thing, and you put it on your face and here's why it's terrific." That's training? No!

Training is all about teaching people that they can achieve anything if they know what to do and giving them the confidence to do it well. In my experience, if someone has never sold cosmetics before and doesn't make a sale the first week, they leave. But if she makes a sale the first week, she'll stay forever.

That's our advantage over the competition. Oh, and I could probably teach you how to swim, too.

From the book *The Company I Keep: My Life in Beauty* by Leonard A. Lauder. ©2020 by Leonard A. Lauder. Reprinted by permission of Harper Business, an imprint of HarperCollins Publishers

course. You can always keep trying to do better. But do I regret anything? Not a bit. Onward!

Throughout the book you share a number of business and life lessons you've learned. What is the most important lesson you've learned that still guides you today?

Over the course of my life, I've had the opportunity and privilege to learn from a number of strong and effective leaders—from my mother and ELC colleagues, to my university professors and US Naval Officers. Today, I believe the most important lessons in leadership to be:

- 1. Value kindness.** Leadership does not have to be transactional or ruthless to be successful.
- 2. Hire people who are smarter than you.** You can be the head of a company or the leader of a team, but you can't do everything. You have to hire surrogates—thoughtful, responsible people who enhance your knowledge, extend your reach and pump up your performance.
- 3. Share the credit, own the blame.** You can delegate authority, but you can never delegate accountability. An accountable leader takes responsibility—for their own actions as well as the actions and performance of their teams. The buck stops with you.
- 4. Values**—real values—can co-exist with success.

Is there one idea you hope people will take away from the book?

Start with “yes.” Tomorrow will be a world of “yes.” Not “no.”

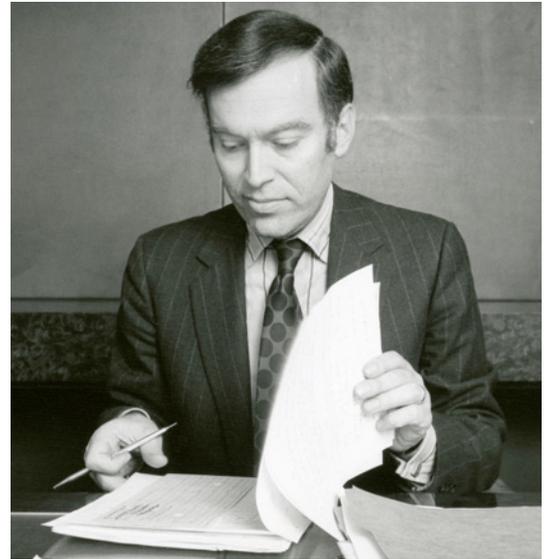
Years ago, when I was CEO, we made a decision to expand our portfolio of brands. At the time, we had just Estée Lauder and Clinique. I had started acquisition discussions with MAC, a Canadian brand. People in my organization said, “No. You shouldn't do that. It's a risk investing in a different type of brand. If we took the same amount of money and put it behind our own brand, think what we could do.”

But I believed in the brand and said, “This acquisition is something we have to do.” In retrospect, the acquisition of MAC was a huge success.

That decision reminds me of watching my parents take risks as they worked their way out of the Depression. One night when I was about 15, my parents took me out to dinner with their lawyer and their accountant. At that moment, my parents were on the verge of making an important decision, a big investment, and their lawyer and accountant said to them,

Leonard Lauder officially joined his family's company in 1958, after serving in the US Navy.

**“TOMORROW
WILL BE
A WORLD OF
YES.”**



“Estée, Joe, you can't do this. It's too risky. You're going to be killed by your competitors. Don't do it!”

Well, my parents made the decision that while lawyers and accountants make very good lawyers and accountants, it was their business, and they needed to say, “We're going to go ahead and do it anyway.” I was the witness to that “yes” that helped bring Estée Lauder to where it is today, an approximately \$16 billion (in estimated Fiscal Year 2021 net sales) global business.

That was coming out of the Depression. What I would recommend as we come out of the pandemic is that you start with, “yes.”

When you think about the world now, what gives you hope?

When you take it country by country, you'd have to say that the United States faces some political challenges, the UK and Europe are still coming to terms with Covid and Brexit, India at this moment is having a terrible crisis with Covid. But in every case, humankind will prevail. No matter where you are, you must believe, “We will survive. We will win.”

I have a huge amount of faith in people. My wife, Judy, has a beautiful house on the coast of Maine. In that area, during the recent presidential election, we saw a lot of signs for Biden, a lot of signs for Trump. But right across the street from our house is an Anglican church, and there's a small sign in front of it that says something simple: “Be kind.” ♦

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