

LOUISE DOMPIERRE HAS AN ARTISTIC VISION OF HAMILTON'S FUTURE

BIZQ2
ISSUE

Biz

Q2 2012 \$2.95

HAMILTON+HALTON

REBEL 
WITH A
CAUSE

TAMARA POPE
IS MAKING SOME
LUCRATIVE CONNECTIONS
FOR HAMILTON
HEALTH SCIENCES

HAVE CAMERA,
WILL TRAVEL
MARK ZELINSKI'S
PHOTO ESSAYS
FOR CHARITY

CHANGE MAKERS
FROM A VIRAL
VIDEO BAND TO A
3D PRINTING GURU

**LADY WITH THE
DRAGON TATTOO**

CBC TV STAR **ARLENE DICKINSON** ON
BRANDING YOUR CORPORATE VISION

Ted McIntyre

Dragons' Den Effect

Does it really matter if CBC's hit show turns you down?



P.T. Barnum once famously espoused, "I don't care what you say about me; just spell my name right." Oscar Wilde echoed a similar sentiment: "The only thing worse than being talked about is not being talked about."

The inference was that any publicity is good publicity. Some debate the merit of such proverbs in today's interconnected world. BP, for example, would certainly have relished obscurity after the Deepwater Horizon began spewing oil into the Gulf of Mexico a year ago. And many a political campaign has gone awry thanks to the synapse-like transmission of scandalous material. But the fact remains that even colossal failures on CBC's *Dragons' Den* have reaped huge dividends in the form of unparalleled marketing in this country. Outside of *Hockey Night in Canada*, nothing in home-grown broadcasting touches *Dragons' Den's* ratings, with typical viewership of more than 1 million—and up to 1.5 million on occasion.

Mississauga's Gabriella Mammone is a case in point. Despite being crowned—literally—by Dragon Arlene Dickinson as the worst pitch in the show's history, the proprietor of Occasion Giftware saw a 700% hike in website hits within two hours of the airing of her March episode. She's since received a number of calls from vendors hoping she would peddle their products on her website.

Regardless of how a company has fared since the show's taping (which can be more than a year before airing), the stimulus received by over a million Canadians learning about your product and feeling your passion can only be positive. The show's producers call it "the *Dragons' Den* effect." Companies such as Toronto's HomeSav.com and Granville Island, B.C.'s uKloo, an educational reading game, both

experienced a 3,000% spike in internet traffic immediately following their March appearance. As for uKloo's presenter Doreen Dotto, she declined an equity-only partnership offer from Kevin O'Leary, taking the other *Dragons'* advice that she didn't really need their money. They were right. Dotto's online orders and retail interest have risen, and uKloo has since won eight awards and found shelf space in over 100 stores across



Canada. Even marketing the fact that you're going to be on the show can add an air of legitimacy, Dotto discovered. Just prior to their appearance on *Dragons' Den*, uKloo's owners struck a licensing deal with Everest, a leading manufacturer and distributor in the North American toy and game industry. The game is also now being distributed in Australia and New Zealand.

Few appreciate the Den effect better than Dragon Dickinson, the CEO of Venture Communications and co-host of the CBC series *The Big Decision*. "It's never simply

just because of the show, but the show is a huge catalyst that helps great entrepreneurs turn fantastic products into known and sought-after brands," says Dickinson, who makes her inaugural contribution to *BIZ Magazine* with her tip on page 14.

One of her more recent deals, with Niagara-on-the-Lake's Southbrook Vineyards, bears that out, even though her \$100,000 pledge for 30% of the company is still up in the air some 14 months after the actual show was taped in March 2011.

"I love the product!" says Dickinson of Southbrook's Bioflavia, which is made from the organic winemaking waste of grape skins and seeds, finely ground into a powder that is extremely high in bioflavonoids and antioxidants. The powder can be added to sauces, drinks or in baking, with one canister retailing for \$30. "We are currently looking at their business structure and I'm hopeful we can find a way to make this happen."

Southbrook's Bill Redelmeier, who co-owns the company along with his wife Marilyn and has tied up all the organic wine producers in Ontario in creating his product, is hopeful too. But it's the show's promotional punch that he most craved.

"Normally it takes eight months to sign, if they're going to sign at all. In that time range, the company's going to be worth either a lot more or a lot less," explains Redelmeier. "Less than half the deals you see on TV are actually ever signed. I've spoken with someone who took 18 months. I've met about a dozen people that have been on the show. They've had mixed success as far as the deals are concerned. But in every case they've been over the moon for what it's done for their business. I spoke to Jamie Kennedy (who had helped Ontario's Own local food movement on its Den pitch last fall), and they haven't signed


a deal, but it turns out a couple others have come forward and offered better deals. That happens all the time. In our case, we've had a bunch of food manufacturers approach us, looking for an antioxidant product to go in their particular food product. That's the sort of thing we were really looking for."

Bioflavia's potential is enormous. "When Tim Hortons launched their Smoothies last year, the one word they didn't use was 'antioxidants,' because you have to be registered as an NHP (natural health product) to do so," Redelmeier notes. "I can license the word antioxidants for two cents a serving by using our product as an ingredient, and it only needs one gram per serving to be able to use the word antioxidants. Is it worth it for Tim Hortons? I don't know if I even have enough product to sell it to them. But that's an example."

Just as Southbrook will not lose any sleep if its deal falls through, so too are the *Dragons* not relying on the show's entrepreneurs for income. "They're extending their own personal brands as well," offers Redelmeier. "Five years ago, I bet few people had heard of Venture Communications. When they opened the CBC building, there was a staff cafeteria in one corner that was a money pit. They put it out to various restaurants, but nothing worked. There's a big chunk of (Dragon Jim Treiving's) Boston Pizza branding there now. They all do very well for themselves."

But what if Redelmeier's pitch had fallen flat on national TV? "Even if you look like an idiot, it's still something you can show your grandchildren—that you were once on CBC," he says. "In the back of your mind you're thinking, 'If it's going badly, how do I get out of here without looking like an absolute idiot?' But, really, there is no such thing as bad publicity. Look at Tylenol. It was launched back in the 1980s, but what put it on the market was when people were getting poisoned by it. Six months later, when you'd go to buy something for your headache, people would see the brand and wonder why they knew the name so well, and would decide to buy it."

"It was a wonderful experience," reflects Redelmeier, who was one of approximately 80 candidates to appear on air from an original list of 8,000. "We were in the lucky position that the money they were offering was not hugely important for us. It's a wonderful venue to get your name in the public—not just for consumers, but retailers and manufacturers. It's a great program, but it's also the best piece of editorial you can get in Canada." **BIZ**

 Comment on this article at ted.mcintyre@sunmedia.ca