



THINKSPACE

GIC MEETS

# Tristan Walker, Founder and CEO of Walker & Company

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*In February 2021, GIC Americas hosted Tristan Walker, Founder and CEO of Walker & Company, for a fireside discussion on the importance of diversity in building sustainable companies that will thrive over the long term. In 2018, Walker & Company was acquired by Procter & Gamble (P&G) and Walker became the first Black CEO under the P&G umbrella. Walker also shared his views on Silicon Valley, building a company from the ground up, and how investors can make a meaningful impact.*

## **WHAT DREW YOU TO THE WORLD OF TECHNOLOGY AND HOW DID THAT LEAD YOU TO SET UP WALKER & COMPANY?**

Back then, I thought I could make a lot of money by playing basketball but being good at math and figuring out the odds, I realized that was not the most viable option. Next was Wall Street, I worked there through University, but it was just not for me. Soon I figured the only other route was entrepreneurship. I got into Stanford Business School, which is renowned for its entrepreneurship program and that's how I found out about Silicon Valley. At that time, I saw my peers not only making millions, but also fundamentally changing the world. *I knew I wanted to dive deep into technology, so in my first year at business school, I joined a small company at the time called Twitter.* In my second year, I joined Foursquare as one of its earliest employees. I was excited about the impact of technology on corporations and the future of the world. After Foursquare, I knew I wanted to start my own company and that's how Walker & Company came about.

## **WHAT WAS THE INSPIRATION BEHIND WALKER & COMPANY?**

After Foursquare, I spent nine months at Andreessen Horowitz as an entrepreneur-in-residence trying to figure out the company that I wanted to start. In January 2013, after a few failed ideas, I had a light-bulb moment when I realized the problem that I was uniquely positioned to solve was right in front of me.

For years, I used a depilatory cream to remove my facial hair. It stank and used harsh chemicals, but up until that point, it was the only thing I had tried that didn't leave me with razor bumps due to my curly facial hair. I started testing out different

shaving methods, and that's when I discovered that the best things for folks who look like me, are the single blade double edge safety razors that were used a century ago. That was interesting to me and it led to the creation of my first product, Bevel.

## **THE BEVEL RAZOR IS YOUR TRADEMARK PRODUCT. WHAT WAS THE INITIAL RECEPTION WHEN YOU PITCHED IT IN SILICON VALLEY?**

When I started pitching Bevel, it was the first time in my life that I started to hear 'No' a lot. In my first pitch, one investor expressed strong doubt when I compared a popular product to eliminate acne with our 5-step system to eliminate razor bumps. She could not agree that razor bumps, which impact 80% of black men and women, and 40% of non-black men and women, could ever be as big of a societal issue as acne. *I witnessed an inherent unwillingness to find out the truth - that was what I was up against.*

Another time, an early Pinterest investor shared that his decision to invest in Pinterest was through seeing his daughter's excitement and dedication to the product. *I did not realize it then, but I would never have had an investor say the same thing about my product, because the moneyed interests did not reflect the diversity of our target consumers.* I realized that I had a unique perspective and the pedigree to tackle this problem and build it better than anybody else. Fortunately, there were several investors who stuck with us the whole way.

## AS AN ENTREPRENEUR WHO SAW AND BUILT SOMETHING THAT OTHERS DID NOT, DID YOU HAVE MOMENTS OF SELF-DOUBT AND HOW DID YOU GET THROUGH THEM?

2018 was a rollercoaster of highs and lows, before the ultimate high of selling to P&G that December. In January, we had just grown 100% in a year, we had tons of inbound excitement from large CPGs, but I was not ready to sell just yet. Then, in March, we went out to raise money, but months flew by and e-commerce and CPG markets were closed to us.

*During this very challenging time, we went back to first principles and revisited why we started the business in the first place – to build something that was going to be around 150 years from now, which would serve folks of color – the majority of the world.* We needed a partner with the scale to fulfill our mission, and that was when P&G came into the picture. Five months later we announced the acquisition – we were very fortunate that P&G believed in what we did.

## YOU SHARED HOW BLIND SPOTS EXIST IN INVESTING DUE TO A LACK OF DIVERSITY. IS THIS THE SAME IN LARGE CORPORATIONS?

In order for any major corporation to chase growth, the next brand they create needs to potentially hit a billion dollars in sales. However, if you were to size the market for Black men shaving in the United States you would determine that even if a company had 100% of the ~\$200 million market share, it would not be big enough. Perhaps a better question is – why is the size of the market only ~\$200 million? Maybe because the products sold do not work for Black men? To me, Bevel was a market creation opportunity that would enable value capture later.

Companies of the future must focus less on building the next billion-dollar brand, and instead focus on repeatedly building compelling \$50-100 million dollar brands. Corporations should aim to acquire capabilities, as opposed to just buying revenue. Increasingly, given market dynamics and

the imperative of large companies to drive innovation, we are seeing this process improve. More and more, sub-\$50 million companies are getting a chance to become a billion-dollar brand one day.

## WHAT DO YOU THINK DRIVES PURPOSE IN A LARGE ORGANIZATION?

*The only way to get to one's purpose is to know who you are, and I define that with values.* When I started the company, I wrote down six values that got me through my life – Courage, Inspiration, Respect, Judgment, Wellness and Loyalty. I listed these on the website, and they give me an objective way to make decisions. In interviews, we ask questions that will surface these values, and in our review process they are a measurement tool of your success. Our values are part of every decision that we make as a company. *There is no purpose in life without values.*

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## IS DIVERSITY AS MUCH AN ETHICAL IMPERATIVE, AS IT IS A BUSINESS ONE?

I have dedicated my life to this, and there are three themes that matter for business.

First, the *demographic shift in this country, and the global cultural influence of Black people* – singularly the most important theme of my lifetime, which is not being given its due. Second, *technology which impacts not just companies, but is also promulgating a quicker demographic*

*shift. Lastly, great brands are a force for good in the world. Companies of the future will be the ones that sit at the center of these three concentric circles.*

This is a number one business imperative because people of color in any vertical, particularly consumer verticals, tend to spend more money in every single category. It is a fact, that the cultural influence of this group dictates what happens in the world. *If you don't embrace the data, you are pushing against a freight train that is coming at you at 100 miles an hour. As a company, you can choose not to do it, but you will likely not be around in 20 years.*

So why wait to think about how you will adapt your business for this new emerging majority? There is a lot of money to be gained by hopping on that train early.

**THE BEVEL BLADE – IS NAME-CHECKED IN A FAMOUS SONG BY THE RECORDING ARTIST, NAS. HOW DID YOU FEEL WHEN YOU FIRST HEARD IT?**

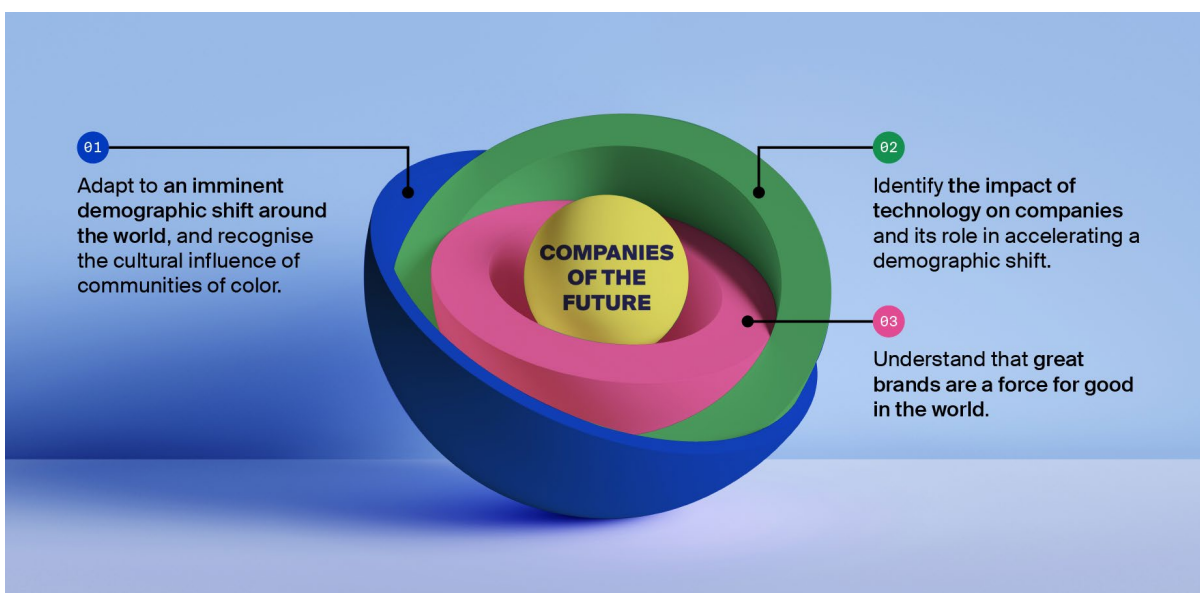
I vividly remember hearing the chorus of 'Nas Album Done', where he says he got his signature fade haircut with his 'Bevel blade'.

Nas did this himself because he genuinely loved our product. It was also then that I realized that there were no retailers with health and beauty products, even for Black celebrities. *It was a true testament to the power of cultural influence, matched with authenticity.* After the song, our sales skyrocketed. It was the culmination of those three concentric circles. Without that acclaim, we may not have gotten our P&G deal.

**YOU ARE ON THE BOARDS OF FOOTLOCKER AND SHAKE SHACK. HOW CAN INVESTORS MAKE POSITIVE CHANGES WITHIN COMPANIES FROM THE BOARD LEVEL?**

*When companies seek to have more diverse boards, they must have an empathy-led approach to understanding what the future holds, recognize the inevitability of this emerging majority, and the extent of their cultural influence.* It's important that companies genuinely consider what this means for their executive and board leadership, the impact on their business focus and what their new consumer looks like. Fortunately, for Footlocker and Shake Shack, this is very top of mind.

*Fig. 1 Three Themes for Long-Term Success*



## **IN YOUR EXPERIENCE, HOW HAVE YOU SEEN COMPANIES MEANINGFULLY APPROACH D&I?**

Number one is intentionality. Number two is understanding the impact of the three principles I mentioned on your business. Many companies think about this idea of what the future looks like for people of color as a HR or DEI issue. Boards and company leadership teams must recognize that *DEI is everything – it impacts your recruitment and the state of your business in 20 years. If they fail to see this, their companies will not last.*

## **ONE BRIGHT SPOT OF THE PANDEMIC IS A POSSIBLE ACCELERATION OF OPPORTUNITIES FOR EMPLOYEES OF COLOR – WHY IS THIS SO?**

I am very excited that coming out of 2020, my capacity for empathy has been extended in ways that I never thought possible. People want to be part of and support companies that treat employees and customers with empathy. If the capacity for empathy can be extended at scale, at all levels of an organization, we will have companies with better principles and purpose. Companies that display empathy for their Black and Latino customers will also have greater market opportunities. When I talk about the three circles, and this idea of a brand being a force for good, that is just empathy at work.

## **“YOU GET THE COMPANY YOU MEASURE” – WHAT IS A COMPONENT OF SUCCESS THAT YOU MEASURE AT WALKER & COMPANY?**

*A big reason for our success is that we have been able to measure values in all of our processes.* Most of our employees are people of color, and the majority of our leaders are women. I believe this is because our company values, Courage, Inspiration, Respect, Judgement, Wellness and Loyalty, are neither gender- nor ethnicity-specific, they are just values that people believe in. It is

important for companies to be very precise around what their values are, because values can be observed and theoretically measured now.

## **AS A FATHER OF TWO, WHAT DO YOU WISH FOR YOUR CHILDREN?**

When I was growing up, I did not have the luxury of having a hobby. I was laser-focused on achieving my definition of success and lost sight of the things I could be passionate about. I want to provide the space and resources for my children to be the best at whatever they choose. We need more people to embrace what they are uniquely positioned to do, in the same way my experiences with shaving led me to build this company.

**“**WHEN COMPANIES SEEK TO HAVE MORE DIVERSE BOARDS, THEY MUST HAVE AN EMPATHY-LED APPROACH TO UNDERSTANDING WHAT THE FUTURE HOLDS, RECOGNIZE THE INEVITABILITY OF THIS EMERGING MAJORITY, AND THE EXTENT OF THEIR CULTURAL INFLUENCE.**”**

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