

**CASE STUDY****Water-wise entrepreneur makes waves**

Friday, 15 July 2005



Sold out her first run ... Tracy Bialek with some of her Ripple products. Photo: John Woudstra

**A business offering water-saving devices found a ready market, writes Janine Perrett.**

Unlike many who simply stumble onto a great idea or fall into small business, Tracy Bialek planned her assault on the sector with military precision for over a decade.

Yet for all her hard-headed approach to business, Bialek's first venture is almost altruistic and her corporate philosophy is steeped in community awareness.

Ripple Products provides water-saving devices for the home and its mission statement explains it all.

"What we do, what we say and how we act can cause a ripple in our community. Help yourself, teach a friend or educate your children. It will all make a difference. It will create a ripple."

This 32-year-old entrepreneur is a mix of contradictions - determined to succeed in business yet listing her main challenge as "keeping the integrity" of her brand.

"I was determined to have my own business. I have always been controlled about getting there," she said candidly.

Her first job was in a stationery house, starting in sales and rising to general manager within four years. That gave her crucial export experience and an understanding of "the great potential for Australian products overseas".

Although only in her twenties, she already had ambitions to start a small business, but "for six or seven years I decided to build my resume. I needed the right experience on the resume to have my own business," she said.

To that end she moved into the IT industry, where she learnt about merchandising and buying. Yet for all her careful planning it was a flood that finally got her started when her car was written off during wild storms in 2002.

"I said to my partner, how often do you get a cheque which you could use to start your own business? So I used the money for research and development."

The idea for Ripple came after she travelled overseas and saw the amount of energy dedicated to

environmental issues. The drought had started to hit here and governments and the community were becoming aware of the need to save water.

With her usual precision, she created a list of potential products and started visiting retailers to see what was on the market. She finally came up with shower timers.

"They seemed a practical, cost-effective, efficient way to enter the market. They didn't need a plumber to install as they just stick on the wall with a suction cap."

Bialek designed the product, made a prototype and, naturally, used her contacts to organise a manufacturer in China.

"The skill is in the negotiating - you have to know how to order," she explained. "I think you need face-time twice a year with your manufacturers."

She admits it is a challenge to keep on top of all the details from here when "you know that even the smallest thing can go wrong and it can affect your business on a large scale".

But she oversaw everything from the manufacturing to the importing, the pallets and see-through packaging, and pricing and margins, and in August last year headed to the Melbourne Gift Fair.

The first run sold out immediately to buyers from the large chain Bed, Bath n'Table and smaller gift shops and was in stores by September.

Since then she has manufactured 10,000 products in two runs and has fewer than 1000 left in storage. She is hoping to sell another 10,000 in this first year.

In February, she expanded into gift packs and is also selling pop-up water-saving buckets, which she discovered at a Chinese factory. Next she is aiming at the teen market and babies - she is already developing a "duckie" gauge for baby baths - but she stresses it is not just simply about expanding from shower timers.

"I'm always thinking of new markets, not necessarily new products. I haven't even touched the surface of the market."

Bialek faces a dilemma, however, as it will become more difficult to retain the integrity of the brand as it becomes more commercial.

"Every day I get calls from a real estate agent or some other corporate who want to put their brand on the product for promotional purposes," she explained. "I want to allow the business to grow but not by devaluing the brand."

Maintaining the community-minded values behind the brand is also a challenge. "My biggest challenge is marketing a product that has an educational message.

"There are people who just see it as just a gift but my next stage is educating the market. My original strategy was to get the brand out there and what I have realised is that it's healthy for the business to promote the underlying message.

"The next phase is community awareness through councils and water authorities so I don't have to educate business and millions of people myself, because the councils will do that for me."

Bialek sees this as part of her business-to-business strategy and emphasises that she will continue selling as a wholesaler to the retailers rather than retailing herself. Her website lists her stockists.

The website also lists her media coverage. She has focused on the home magazines and promotion-based marketing, giving away free products in exchange for full-page advertisements.

Another big challenge at the moment is logistics. She is looking to move as she is feeling the pressure of working from her small house in Collingwood, Victoria - and it's not just that she could do with a warehouse and boardroom.

"The most difficult part of business is working on my own, the isolation," she admitted. "I have to separate who I am each day - today I'm a sales person, tomorrow a designer, Thursday I'm an accountant and the next day sales and marketing or a warehouse manager."

Aware of the danger of spreading herself too thinly, she has taken on an agent in Western Australia who works on commission and plans to do the same in other states.

She is hopeful of being in profit after the first year as to date she has funded the business entirely from her savings.

"Cash flow is a constant challenge. Every dollar counts and I'm very controlled - I weigh up at the end of the month how much to spend.

"But when I have cash-positive months I want to know how to maximise it. These are the type of issues you just can't ring your banker about and have an overdraft all the time."

Bialek's next challenge is to move into exporting, having already had an order from Germany and interest from a British water authority. "If the product is successful and you have confidence in the management process and ability to sell in Australia, there is no reason you cannot export," she said.

### **CHALLENGES FOR RIPPLE PRODUCTS**

- Maintaining the integrity of brand as it grows commercially
- Expanding markets rather than just products
- Managing logistics
- Managing cash flow
- Moving into export

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### **EXPERT COMMENTS**

**Paul McKeon** - Corporate Communications Manager - Dell Australia and New Zealand  
Maintaining the integrity of a successful brand is a challenge many small business owners would love to have. Rather than seeing the request to produce corporate merchandise as a challenge to the integrity of the brand, I'd suggest it is a real opportunity.

**Kevin Hindle** - Professor of Entrepreneurship Research - Australian Graduate School of Entrepreneurship, Swinburne University

Tracy is a stellar example to other entrepreneurs. She took the initiative to become a small business owner, yet she didn't rush it.

**Tim Harcourt** - Chief Economist - Austrade

Tracy's story is inspirational. She is one of the growing band of 'Generation X' entrepreneurs (sometimes called 'Generation eXport') who are keen to start their own business and take it international.

**Rajarshi Ray** - Head of Small Business Services - American Express Australia

It is easy to understand Tracy's desire to maintain the integrity of her brand. However, this does not mean she has to go it alone in every market.

**Kevin MacDonald** - General Manager, Operations - Australian Business Limited

As water becomes an increasingly scarce commodity and people become more concerned about damage to the environment, it's gratifying to find environmentally conscious companies like Ripple Products and people like Tracy who are creating eco-friendly products

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