

Georgia's Business #414

Guest: Lesley Hatfield President and Chief Executive Officer, NiteSweatz

Richard Warner:

Welcome I'm Richard Warner. This Week on Georgia's Business in another in our special series spotlight: enterprising entrepreneurs... successful Georgian business women and business men making it their own way. We're in the studio this week before a live audience including notables from Georgia's business community. And our guest, well she went from personal trainer to the owner of a multi million dollar business because of something that one of her customers said. She launched a sleepwear business called NiteSweatz, sold around hundreds of stores in the country. Please now welcome entrepreneur, marketer, and mom Lesley Hatfield. Ladies and gentlemen please welcome Lesley. Its good to have you here. Its exciting...We're on the elevator we have three floors to go, you have three floors to tell me what is that you do?

Lesley Hatfield:

I run a pajamas company.

Richard Warner:

Okay, that's one floor.

Lesley Hatfield:

Yes

Richard Warner:

What makes your pajamas company different from the others that are out there?

Lesley Hatfield:

My pajamas company is moisture wicking sleepwear for women who are hot at night, whatever the reason

Richard Warner:

Clearly there is a demand for that among many women but is there not a solution to that in stores already?

Lesley Hatfield:

There is now, since my product has come to market. But there wasn't a solution out there. The technology was there for athletics and the technology was there for runners and tennis players but it wasn't being used in the bedroom or as house wear.

Richard Warner:

The Ah uh moment. There was a ah uh moment where I presume your jogging with one customer, so the story goes. What happens?

Lesley Hatfield:

Right. I was training an executive as I done for many years, personal training one on one. She was just really dogging her run and I looked back, what is wrong with you today? She said, I didn't sleep last night, I was up three times the night before and I was changing my clothes, I'm going through the change. I said, well sleep in your running clothes technology has helped us for years. Ah uh! We can start a pajama company, we can call it NiteSweatz. We can spell it with Z, it can be a play on words because you want to come home and you want to put your sweats on and feel comfortable and that was it.

Richard Warner:

You commitment from that moment...

Lesley Hatfield:

It was within about a suburban block...

Richard Warner:

We can do this...

Lesley Hatfield:

We can do this...

Richard Warner:

You're going to do this. And now what you have is a company that is sold in many stores, hundred of stores around the country. What is a day like? Well, here's a look at the day in the life of Lesley Hatfield.

TAPE ROLL IN:

Lesley Hatfield:

We have the long pants...I like the third piece with the hoodie. Its a gradients you're right. You want to just add one more thing to it here? I'm a mom, I'm a mom entrepreneur. I love that title and that position. Being an entrepreneur, its in me. If I didn't act on it I would be denying feelings that I have, that I have to act on this. Its one of those wake you up in the middle of the night, your eating it, your breathing it, your sleeping it. I had no idea what I was getting myself into. I didn't know anything about fashion, fabrics, manufacturing, overseas manufacturing, fundraising, lines of credit, business plans, I never done any of these things. What I do know is how to pick the right people to help me build this. But I think that's what makes a good president is having those advisors around you, people that can help you get to your end goal without you having to do it all yourself.

Kevin Garrett:

We have people that are involved part time and sometimes full time but what you have consistently is a shared vision for what we want to do as it relates to providing a solution for our cliental. I think everyone is excited about that.

Bridget Kelman:

She has so many great ideas and she has the courage to act on them. And I think that's what impresses me the most, is that she takes an idea and she runs with it and finds out everything there is about that idea and brings it...

Lesley Hatfield:

We're choosing to take our capital, our resources, and market our band to use our money for other areas then the over head of a big office space. We deal a lot with email, phones and we meet when we have to.

Kevin Garrett:

Lesley is a moving target, so you have to get her when you can get her. We try to get the quality time that we need to go through some of the strategic issues that we're talking about. And we found that running because that actually how we first met each other was running together. We found that just a very useful time for us. Both of us are working on our fitness and also working on the company goal.

Jay Hatfield:

You want to go over the change we made in the press kit? Yes, yes, definitely we need to do that. This is the release Suzanne just wrote. I basically give the brand its look, its personality. We work on the photo shoots together, we pick out the model we wanted, we design the line sheets, we design all the collateral material anything the buyers see. From the beginning when she had the idea. We were making dinner, and then she told me the idea. I said that's a great idea and she said, I'm going to call it NiteSweatz and spell N-I-T-E-S-W-E-A-T-Z and I thought she really thought this out in the last half hour or how every long it took to tell me. Its exciting to dream big about the brand and where we can go. But its also exiting to think that we're still in the very early stages of a potential huge success story.

Lesley Hatfield:

I enjoy my life, and if you can't laugh, if you can't have fun, then what's the point? You get one chance here you might as well have a good time while you're on this planet. I have a good time, I try to bring people along with me for the ride. I don't want to go through life, quiet, sitting in an office. I'm happy where we are going; I just know that there is so much more out there. And we're chipping away at it one piece at a time. I don't ever see myself not working when NiteSweatz is no longer apart of my life. I will have something else. A new idea comes just about everyday, I say, stop my mind! So, there will be something else.

Richard Warner:

This is a very modern business in that you have no salary employees. You're doing multi million dollars worth of business yet you have no body on the payroll you have to deal with every other Friday.

Lesley Hatfield:

Right.

Richard Warner:

How do you do that?

Lesley Hatfield:

Well, I have a team. I have people that work for me. I just don't have them all commitment in a salary. I try to hire people as we need them. We contract most of our labor. We're smart about who we employee full time, I am a full time employee.

Richard Warner:

You said in that package that one of the things that you could do which is a skill we almost gloss right over it, was the ability to pick people. Is that an instinct because that's one of the places that entrepreneurs often fall down.

Lesley Hatfield:

Most of the people who are on my team our people that I've known in my network. They are people that have been in my life in one way or another or who have come to me in great referrals. But I go with my gut a lot, I think your gut tells you know when you're doing something wrong, you know when you're doing something right. And there been people that I said I don't know how I can afford this person but I have to have them on the team. It's always paid off, so far, its paid off.

Richard Warner:

How did you afford them? That's another thing an entrepreneur...

Lesley Hatfield:

Well, my house was on the line...

Richard Warner:

Credit cards...

Lesley Hatfield:

We credit card. We had one early stage investor who believed in the dream. Small investment to get is over the hump. Yeah, we self funded then we've been able to put the profits of the company back in the company.

Richard Warner:

Take a step back then to that ten minutes when you decide this is what the future of my life is going to be. People are afraid to take that leap because the net might not appear.

Lesley Hatfield:

There was no net, there was absolutely no net...

Richard Warner:

There was 50k on the line. Your investment was 50k?

Lesley Hatfield:

That's about what it took from the time we trade mark the brand and just really got valuable product out there. But we do market research prior to jumping off the cliff. I mean I came home and pitched this to my husband who's in advertising. He said number one, trade mark the name before we do anything else tonight we have to go online to get the name trade marked. Number two, we need to see if this is a vital product. We searched the internet, is there anyone else doing this?

Richard Warner:

There was, there was someone else in Canada

Lesley Hatfield:

There was a company in Canada doing it and they were not selling in the U.S., the product were these frumpy, dumpy big tee shirts that just blasted I've been menopause. I was like, I know a lot of women who are in their late forties, fifty, and sixties who are fashionable, who are fit, and who care about what they look like. Just because you're going through an uncomfortable time in your life doesn't mean you have to look frumpy.

Richard Warner:

I all ways said during these interviews that all of the success stories are great and people smile. but what they really relate to though is when it's not going very well. You've reached a point when something wasn't going very well in North Carolina.

Lesley Hatfield:

I had, well let's back up. I had my first manufacturing company fire me, which end up being the best thing that could've happened.

Richard Warner:

How could they fire you?

Lesley Hatfield:

They fired me. I was a customer of theirs. I was asking them to do things with fabric that they say that fabric does not do. Well, they just didn't know how to do it. I knew it could happen, I was like come on you can do this. Its not going to happen, you're to much of a pain so find someone else. So I found someone else to do all the research. I went to New York and met with the principles. I found a solid company and they went bankrupt with half my money and my fabric half manufactured...

Richard Warner:

Well, that would kill you, I mean...

Lesley Hatfield:

It could have killed us

Richard Warner:

When you're talking about that kind of capitalization at that stage of a company in that kind of development, what did you do?

Lesley Hatfield:

Cried first.

Richard Warner:

Then what?

Lesley Hatfield:

Then, I was four months pregnant so that helped the hormones in the crying. My grandfather died a couple days after that and I drove to North Carolina and I knocked on the door. I appealed to the president of the company who was there in his jeans. He didn't want his company bankrupt and I didn't want his company bankrupt but I need that fabric.

Richard Warner:

Was there some question about whether he would give it to you or not?

Lesley Hatfield:

Well, it was owned by the banks at some point.

Richard Warner:

Your fabric that you paid for...

Lesley Hatfield:

I only paid half up front but the fabric was only half mill at that point. It has to be almost sanded down like a stone. It was thick, almost like a girdle. It was this thick rubbery fabric. So it was only half milled at that point.

Richard Warner:

So, your flushed, your beat red and....

Lesley Hatfield: I just appealed to him as a human and I said you got half my money, the fabric is half made if we can work this out can I at least have my fabric. I don't know what I'm going to do with it but that seemed like the only option at that point.

Richard Warner:

You got it, what did you do with it?

Lesley Hatfield: I got it. I had a semi truck pick it up and I tried to find a company that would take it. No one would take it because it's a huge risk. We're going to come back to

them manufacturing if it doesn't perform the technology. So, I found a company in Canada who would take it and I stayed in Toronto for a few years.

Richard Warner:

With a kid?

Lesley Hatfield:

Yeah. I had a child, lost my mom, and started a business all within about eighteen months

Richard Warner:

Okay, so I'm hearing during these stressful times, twice you've lost someone very, very close to you. You are either with child or now really with child. How do you maintain sanity? One of your rules is that you can't quit...

Lesley Hatfield:

You can't quit. I exercise, it really helps the stress. I never stopped exercising which I think is incredible important. Quitting wasn't an option, I knew I had a great product, I knew we had to move on this. How we're going to do it? We just figured it out one day at a time. And sometimes it was just a one day at a time life.

Richard Warner:

Lesley, rule number three, treat everyday as if you're about to go bankrupt.

Lesley Hatfield:

Okay.

Richard Warner:

I read that somewhere, you have to be...would you agree? How about that?

Lesley Hatfield:

Yeah. I think the fight is there, the persevere is definitely there. You have to know that in any point that someone can come in up right behind you and swoop you up. So, don't look behind you, look ahead and see who else is doing it, who else has a bigger better stronger idea and just keep moving.

Richard Warner: You have a typical entrepreneur mind set in that you're going a thousand miles an hour and the ideas are flying out of your ears. How do you figure out which ones are real?

Lesley Hatfield:

Well, I think having a road map is very important. I think its good to have a plan, have a strategy. Business plans change but to at least commitment so things for this year and does it within your plan is it something that is going to help you to get to where you want to go this year.

Richard Warner:

Is it revenue base or is it product based?

Lesley Hatfield:

We have a lot of goals. We have goals as far as sells goes, obviously goals for revenue and sells. Obviously money is a driver. But we want to open new locations and we don't have a store in that state. What about our web sells, we really have been driving our web sells because we see that's a real vital option.

Richard Warner: Lets go in to that because you were talking about no salary employees besides yourself. The web becomes a vital tool, another reason this is a modern company because it is a big revenue stream in the new age of business, what did you learn you needed to do in order to do the web right?

Lesley Hatfield:

You have to hire the right person, it was a no brainier. The gentlemen we hired to be our webmaster and our CEO. He was one of those people who I thought there is no way I could afford but he's the best; he's the best I know. My husband is in the advertising world. We sat down with him, if you would take our company we would figure out a way. The web is very track able, you can see what woks and doesn't work. What your paying for and what your not paying for as it relates. That was something we could turn off and on as we had more money we could buy more afterwards.

Richard Warner:

Okay. You're talking about search engines optimization?

Lesley Hatfield: Search engine optimization, absolutely, that's the way to do...

Richard Warner:

What is that?

Lesley Hatfield:

It is putting the right words out there that's going to convert a user in to a sell. If you come online looking for pajamas you're going to see all kinds of things out there but moisture waking sleepwear you're going to find NiteSweatz. Anything...

Richard Warner:

Did you put a switch on that?

Lesley Hatfield:

Oh, let me tell you...

Richard Warner:

Moisture waking sleepwear...

Lesley Hatfield:

And we are the number one spot.

Richard Warner: What else do they do...?

Lesley Hatfield:

Nitesweatz, NiteSweatz, the real spelling of NiteSweatz. Menophase, Menopause sleepwear.

Richard Warner:

Menopause sleepwear probably would be...do you own that term, do you spend a lot of money on it.

Lesley Hatfield:

Well, we try really hard to be responsible SEO wear play fair and we do everything the right way. But there is definitely science to that, I have no time patience or willingness to do. But having the right person on your time who does get so excited when we're moving up the Google search. He's the one to have on the team.

Richard Warner:

Material impact on the business...

Lesley Hatfield:

Absolutely, its full retail

Richard Warner:

I heard you say, one of the things I don't do well is this Google stuff which is detail work...

Lesley Hatfield:

Yes. I don't do detail work very well at all.

Richard Warner:

Are you good at knowing what you don't do well?

Lesley Hatfield:

I think that's the key. I know what I don't know and I try to find people that can kind of fill those voids.

Richard Warner:

In compensating those people, we were talking about how cash flow is a real factor in your life. 4 am is when you do your best thinking about cash flow...

Lesley Hatfield: Yes.

Richard Warner:

What do you give to those key players who you can't afford to pay lots of money to, how did you get them to come aboard?

Lesley Hatfield:

Early stage I gave up apart of the company, I gave some equity share of the company because I couldn't pay a salary to them. I couldn't pay. I had nothing to offer but the dream, jump off the cliff with me and I'll give you a chunk. Hoping that this would work. But look at the research, look at the market research, look at the analyzes of how many women would be turning fifty in the next twenty years. Look at the baby boom, you follow the baby boom, its a solid audience that you have good potential of reaching if you have the right solution product.

Richard Warner:

Alright, so you got a good product, you got a good name which was critical because you can remember the name and the spelling. Your doing SEO and web in a way to reach customers who are looking for you and you don't know who they are. How did you market yourself beyond that because you have been featured on Oprah.

Lesley Hatfield:

I have not been on Orpah.

Richard Warner:

Is it O magazine?

Lesley Hatfield:

O magazine

Richard Warner:

How did you pull it off? obviously that's amazing in terms of...

Lesley Hatfield:

Yes. We have a PR person. We hired PR early in the beginning we would hire on a as need bases. Now, we have Susanne on full time staff on commission PR person for us. So, we are in magazines and we're pitching to T.V, and we arepitching to anybody that will listen. PR wire on the web things get picked up with newspapers

Richard Warner:

So, what I'm hearing is, we don't have a bottomless marketing budget in which to buy ads, even probably to buy pay per clicks ads as far as search engines.

Lesley Hatfield:

You've done it organically

Richard Warner:

We are making the most of our...harder because its not like we're buying a spot schedule

Lesley Hatfield:

Right.

Richard Warner:

And its going to be on next week and its going to go.

Lesley Hatfield:

Right.

Richard Warner:

So you have to be smarter then that?

Lesley Hatfield:

Right

Richard Warner:

And it worked?

Lesley Hatfield:

So far it has worked. We have some great placement, we've done some great television. But most of it, you pray for PR, you pray for advertising. So, we've done a lot of praying.

Richard Warner:

What gets you up at night? We're talking about how you go to sleep at midnight and wake up at 4am if you're an entrepreneur.

Lesley Hatfield:

That's right. And no problem going to sleep. Its the four a clock in the mourning going did I do that today and what am I going to do tomorrow about that?

Richard Warner:

What do you worry about?

Lesley Hatfield:

What do I worry about in the middle of the night?

Richard Warner:

Yeah, what's on your mind at four?

Lesley Hatfield:

What I'm going to do the next day, whose going to be where and how are we going to get funding for this and what's the next plan.

Richard Warner:

That sounds like its all positive stuff.

Lesley Hatfield:

I have blue skies. I don't have a lot that holds me down. We're in a great market, we're in a great place, we're settling well. I have people issues, there's all ways some HR drama in there that you're trying to deal with feelings, and manage people right and make sure that everyone got your shared vision because sometimes they don't. You have to bring people to the other side sometimes.

Richard Warner:

Process of doing that because as long as you have people you're going to have people drama...

Lesley Hatfield:

Absolutely.

Richard Warner: and you except that and how do deal with it? Are you very transparent, do you minimize, do you...what's your style when it comes to that?

Lesley Hatfield:

I don't try to manage. I listen. I think that's probably the best thing, we talk through things. I don't think that anyone has failed from over communicating your problems, your sides. You know, talk to me, talk to me. And a lot of times I'll come to your conclusion just explain to me, sell it, sell it to me and vice verses, negotiate and make it make sense to me. I'm not ridge it I don't have all the answers; you may have a better answer. I can live with that if it makes sense. But I don't try to manage people.

Richard Warner:

The piece that we just shown was at Starbucks. Part of it was shot inside your dinning room....

Lesley Hatfield:

Yes, that's my office, home office.

Richard Warner:

Here's what I wonder, while that there tremendous of energies of holding over head down. How do you effectively communicate when its all virtual?

Lesley Hatfield:

We meet, we are face to face, I run with my business partners. We get all kinds of stuff done there. But email is great because you don't know if someone is another office or across town or across the country for that matter. But technology has been just amazing for us, we talk on the phone, we keep the lines of communication open. I mean do you see anyone face to face anymore?

Richard Warner:

No.

Lesley Hatfield:

Yeah. Even in a office your emailing back and forth all day. Sometimes you are in closed room.

Richard Warner:

Its a whole different way then our parents did business because we can.

Lesley Hatfield:

Absolutely.

Richard Warner: What is next? Again, one of the entrepreneur curses is that there's always Ah if I'm not doing this I'm going to be doing something else...

Lesley Hatfield:

Yes.

Richard Warner:

What's next?

Lesley Hatfield:

Our men line?

Richard Warner:

Men line?

Lesley Hatfield:

Yes, cause men are hot at night too.

Richard Warner:

For different reason I presume.

Lesley Hatfield:

Well, there's a chemical imbalance, there's hormones imbalance, medications you could be on, sometimes your just hot sleepers. Men have weight issue, we had a lot of men come out to say, whereas the stuff for men. We have men who have worn black, chocolate, and blue NiteSweatz because their wives swear by it. They're like, we don't care our wives told us to and their the only ones that sees us. But if this stuff works I buy it.

Richard Warner:

You do sleep better when you're cool?

Lesley Hatfield:

You do. And you don't feel that these our on, it doesn't bind, it doesn't rub, they're silky. I will change my clothes at night if I go to sleep in someone else pajamas. I will wake up because I can tell I have those pajamas on.

Richard Warner:

Well, that's great. That was a half hour masters degree in entrepreneurialism. Lesley Hatfield ladies and gentlemen in fact we want to thank our audience for being here. They're going to be here for a little while longer. And what they are going to do next after this show is ask questions directly to Lesley and you can see that question and answer session. We're going to put exclusively on our website. You can view it by going to GPB.org/Georgiasbusiness, there you'll be able to replay this episode and you can also download a transcript of the show as well. You can catch a replay of the audio of this broadcast of this broadcast in Atlanta at WCFO radio, that's a 1160am. You can listen in on itunes just do a search on that term Georgia's Business. And finally if you choose you can sound off to me directly at my website which is richardwarner.com. Thank you for watching. Now from all of us here from Georgia Public Broadcasting. I'm Richard Warner. And until next week don't sell yourself short.