



In this episode, we dive into the product listing process and the importance of knowing and meeting trading partner requirements. A discussion on how to grow small business leads to understanding possible sales channels. Learn about getting ready to trade, funding opportunities and the potential challenges faced by small business owners. The common theme is understanding why GS1 Global Standards are supported by industry.

Host:

- Teddy Wilson, Media and Television Personality

Guests:

- Noora Sharrab, Co-Founder & CEO, Sitti Social Enterprise
- Gary Macdonald, Executive Leader, Ontario, Whole Foods
- Eileen Mac Donald, CEO and President, GS1 Canada

Teddy Wilson:

Small businesses are the backbone of the economy and the heart of communities across Canada. They represent our innovative spirit, our diverse cultures, and our common needs in support of the small businesses who tirelessly keep our economy growing and those who proudly carry their products. This is Barcodes & Beyond an original podcast brought to you by GS1 Canada for anyone interested in small businesses and entrepreneurship

Welcome. I'm your host Teddy Wilson. As an entrepreneur, you have this amazing dream to provide a cool product to the community. You've spent hours planning, you've perfected the brand, the packaging, and the design. And although you've already done so much, you still need to get it out to the world.

But how do you get your brand in as many households as possible? This is where GS1 Canada can help. They've got a variety of small business bundles. Those are designed to help quickly and efficiently provide the product information that retailers and distributors need to get your products in store and online.

In this episode of Barcodes & Beyond, we tackle the challenges of bringing your products to market, and we chat about funding opportunities with our guests, a former UN advisory council member and co-founder of Sitti Social Enterprise, Noora Sharrab. Hey, Noora. How are you?

Noora Sharrab:

Hey, how are you?

Teddy Wilson: I'm great. It is so cool to have you here. Your story is fascinating, and I got to ask right off the top, how do you go from working at the UN, at the United Nations, to starting a soap business?

Noora Sharrab: I never sat there and made a business plan of like, "I'm going to open up a soap company." I don't think that's what happened. I think my journey started when I was in university. I was studying identity and as a Palestinian immigrant here in Canada, I knew what it meant to come to a new country. And so when I learned more about millions of Palestinians living in refugee camps scattered across Lebanon, Jordan, Syria, occupy territories within the West Bank, for me it was just like, "What does it mean for someone to grow up knowing that they're a refugee in a refugee camp?" And I remember my professor was like, "You're not going to learn off of a book. You need to go and see it for yourself." She's like, "You can read all the theories and all the books and all the explanations, but if you don't physically experience it, you're not going to be able to have that connection."

And so I kind of went down that pathway, that journey, and I traveled all the way to Jordan. It opened my eyes. These people, they're just like me, but I just had the privilege of living in Canada and the privilege of finishing my education and having all these different rights that we have here. And here are these people that that could have been me. And it really resonated with me and it really felt like it created this sense of responsibility.

So I was working at the UN, I was running my nonprofit at the side and at the time, because we were really, really actively involved in the refugee community in Jerash, one of the volunteers of the organization who is right now, one of our co-founders actually called me up and said, "I need to come and show you something." So she came to my house with a box of soap and I was like, "Okay, well what is this?" And she's like, "Well, the Italian embassy came and they ran a development project in the camp and they taught a few dozen women on cold press, olive oil, soap making." And the essence of the project was to create socioeconomic opportunities for these women by teaching them a skill, a trade, that they then can take away and then sell to market and then hopefully sustain and provide for their families.

The campaign finished, the workshops ended, the trainings were done, and then the women were stuck with boxes and boxes of soap and they were like, "Okay..." Trying to access market, but they were losing money trying to sell it because it cost them more money in transportation to go to the city to try to sell it than they actually were able to make. Essentially, it was just a bunch of women that had a skill and it was like, "Okay, now what?"

Teddy Wilson: Right. So then you came along and you kind of facilitated those next steps for them.

- Noora Sharrab: Yes, exactly. We realized that this isn't just about the soap, it was about how these women were trying to move away from this charity model and really trying to create economic opportunities for themselves to become self-reliant, to become financially independent and put food on the table.
- Teddy Wilson: Now, this is a successful enterprise, but what were some of the challenges you faced when you were starting off really at that kind of in the trenches level?
- Noora Sharrab: I think when you produce soaps in a refugee camp, it's a little different than when you're producing something out of a factory. Not everything is going to look the same. It's handmade, so there's going to be elements of inconsistency sometimes.
- Teddy Wilson: Yeah, uniqueness.
- Noora Sharrab: And uniqueness, inconsistency, maybe mistakes that could happen. And so for us it was really important like, "Okay, how do we avoid that? How do I make sure that every soap bar looks identical even though it was handmade?" We had to kind of elevate the standard. So then if they're placed on the shelf in a retail store, there isn't that discrepancy, especially because a retail store is not going to put you on the shelf if you don't uphold particular standards.
- And that was something really important for us. I remember one of the first times they shipped me a couple of boxes of soap and they all arrived broken and the packaging was ripped, and one soap was like 70 grams and one soap was 80 grams and one soap was 90 grams. It's all supposed to be one size, and it's like, "Why is this happening? How do we create consistency? How do we scale in production? What do we need to give them? What tools are they missing?" So making sure that they had particular tools available for them. So instead of manually cutting every soap, it would be a silicon tray that would all be poured and it would all look the same. And also making sure that the training was done across the board, which was really important. And packaging was a big thing for us. Branding was a big thing for us.
- Teddy Wilson: So you've honed in on your product, you've mastered the production process, but then the next stage, did you face a lot of rejection in terms of getting products to market?
- Noora Sharrab: Oh, my gosh. We got a lot of rejection in the beginning. I remember sending it to a few retailers and some of them were like, "Not yet." I think the first shop that carried our stuff was actually an old university friend of mine who opened his own roastery here in Toronto called Hale Coffee.
- Teddy Wilson: Oh, yeah.

Noora Sharrab: They're fantastic.

Teddy Wilson: I know Hale Coffee.

Noora Sharrab: They're so good. Shout out to Hale. I remember telling them about my social enterprise and they were like, "We would love to give you space in this coffee shop." And I was like, "Thank you so much." I remember coming and setting up the space, putting the labels on it, and just kind of seeing the reaction and then having people then come on our Instagram and be like, "I saw you at Hale." Or, "Order online." And be like, "Oh, how did you hear about us?" And be like, "Oh, we saw you at Hale." And that was really, really nice. It felt real, I think at that point because you start getting customer recognition. I think when you do that, it just... You feel like, "Oh, wow. I got my first order."

And it opened up other opportunities as well. Another big one actually early on was Holt Renfrew. Holt has the H project. The H project is a curation of other social enterprises. It's all about companies that follow ESGs and sustainable models and are essentially just like us, a social enterprise. And I remember walking by the H project section and it looked really nice, and I looked at it and I was like, "We belong on this shelf."

And I went home that day and I went on their website. I went to the contact us and I was like, "Hi, my name is Noora and..."

Teddy Wilson: Cold Call.

Noora Sharrab: I swear. And I was like, "They're not going to email me." This was 01:00 in the morning. I'm sitting there like, "I should email Holt." And I was like, "There's no way they're even going to know I exist." And lo and behold, two weeks later I get an email from the H project team saying, "We'd love to know more. Send us a sample." I remember reading that email four times. I'm like, "Did they just email me?" Ran to the postal office and I sent them all my samples...

Teddy Wilson: Cool.

Noora Sharrab: ... and another two weeks later, they sent me another email and they said, "We love your stuff. Let's get on a call." But what I realized is when we got on the call is we weren't retail ready, so I didn't have any SKU codes on my packaging. All my products were not bilingual, so they're not ready to sell across Canada. They were just English based and they were just some things that they wanted tweaked, and they're like, "We love it. We'd like to work with you on getting you ready for retail."

And I think that was the really incredible gift that they gave me is that they didn't just give me a flat out, "You're not ready. Bye." It was more like, "Okay,

here are some of our criteria. If you can help meet them, we can get you on the shelf." And so I went back, revamped our packaging to be bilingual, made sure we added SKUs. That first run with a big, big retailer thankfully opened up kind of other doors.

Teddy Wilson: Do you think that the early feedback you got before these couple of big wins, maybe those early rejections taught you anything?

Noora Sharrab: I think so. I mean, I remember pitching to a distributor locally and they sent me and they were like, "Your stuff is not ready for us." And I remember hanging up crying,

Teddy Wilson: You can laugh now.

Noora Sharrab: I can laugh now. At the time I was like, "This is exhausting. They rejected me and what's the point of this?" And, "We're doing all of this and it's not working." And I remember my husband, who I should say is my biggest supporter, and he's like, "Cry about it and you're done crying, go fix it." And I was like, "Okay." So I finished crying and I was like, "Okay, what do we need to fix? Let's go fix those inconsistencies. Let's go fix our packaging issues. Let's go make sure that we are retail ready. Let's take their feedback constructively and let's turn it around to actually come back to them." And one of our distributors who gave us a clear no, six months later took us on as a vendor. So it's also a reminder, a no is often a not yet.

Teddy Wilson: In those early days. How did working with GS1 Canada help you specifically?

Noora Sharrab: My experience with GS1 actually started when we got accepted to get into Whole Foods Ontario. They said, "Okay, well it's fantastic. Your products are approved, but your SKUs are not approved." And I was like, "What do you mean?" I didn't understand I literally googled barcodes at the time when I was fixing my packaging and I bought them off this website that sold barcodes. At the time, I did not know that I had purchased expired barcodes. So when they looked up those SKUs, they belonged to a completely different prefix company, a completely different company that was not Sitti, and I had already spent thousands of dollars on barcodes. I think I paid \$100 dollars a barcode or something silly like that. I was like, "Why didn't anybody tell me this?" And now I tell all my friends, "Don't waste your time. Please do it the legit way. Go get it from GS1. Don't buy it off a third party site. It just doesn't work."

Teddy Wilson: Let's talk about funding, obviously is such a key piece of the puzzle for any business. I know you've done a lot of crowdfunding and fundraising through your career. What was it like funding Sitti and getting it off the ground?

- Noora Sharrab: It was very important for us when we first started. We actually not only just fundraised for the equipment and the raw resources to get our products made, but also fundraised enough of about a year and a half worth of part-time salaries for the women that we wanted to bring on board because we didn't want to create job insecurity because we knew it was going to take us some time and we didn't want to follow the same model that most social enterprises follow, which is like pay your artisans when you sell.
- Teddy Wilson: You had to come up with a lot of money to fulfill your business and especially paying people for up to a year and a half.
- Noora Sharrab: Yeah. It was really important for us also as a small company that you try to get scrappy...
- Teddy Wilson: Get scrappy. I like that.
- Noora Sharrab: And just like don't try to spend all the money you have, get people to do things for free sometimes. I went knocking on some small business stories in Jordan and we were building the workshop. We were building the SOAP workshop in the camp, and so that required a lot of resources, repainting, retiling, the bathrooms, tiling, the soap workshop for example. And I was like, "That's going to cost a lot of money." I remember going into a tile shop and I was like, "Do you have any tiles in the warehouse you're not using that I can use?"
- Teddy Wilson: Wow.
- Noora Sharrab: And I went to a paint shop and I was like, "Do you have any paint that you can give us?" Because our intention was very clear about the community we were serving and what we were doing and really what we were trying to build. There were a lot of businesses that were like, "Yeah, here you go..."
- Teddy Wilson: Wow.
- Noora Sharrab: "... we'll give it to you." At least five or six businesses gave us complete supplies for free. I had one company rebuild our entire kitchen for free. It goes back to this, people want to do good, they just don't know how. And sometimes that also means businesses themselves. That sense of funding was through the source of intake donations, which was really important in the beginning of our journey. And as we grew, I had to find other sources. I started actively just searching for any and every single grant I could apply for, public grants, private grants, competition grants, pitch grants, all of those anywhere from \$500 to \$5,000 to \$10,000 to the \$50,000. And I was like, "Give it to me. Give it all to me." And that's exactly what I did.

You have to put yourself out there. You have to be actively looking for it. So access to capital, access to funding, it's not always VC funding. It could look different. And then we don't realize that the government of Canada has so many resources for federal and provincial funding for small businesses to help them grow, to help them scale. There's a great program called the Export Canada Grant actually, where you could get access to up to \$75,000 in grants that help grow your business, scale your business. It's really about having the right partnership to get you to a different level of your business. And every business is going to look very different.

Teddy Wilson: It's a struggle to get the business off the ground, but when you got to the point where you could offer those salaries, how did that feel for you?

Noora Sharrab: I think at times where I wake up and we have very difficult days, I'm reminded that it's not about me. It's something a lot greater than myself. And it's incredible, I think when COVID hit, one of my co-founders, Jackie and I were on a call and we were kind of really unsure, uncertain if we were, could even pay salaries because we were losing orders. And we made a commitment. We're like, "Okay, no matter what happens, we are still going to make sure that these women get paid even if they have to stay home and not work." Because we had to close down our center for the lockdowns.

And one thing we were kind of really questioning within ourselves as a social enterprise was like, "Does our impact really make a difference?" And that's when we ventured off to do our first ever impact report, and we followed a self-reliance index metric and did full surveying across all the households and all the beneficiaries directly and indirectly that we work with to do kind of an internal analysis of ourselves and be like, "Is it worth it? Is it worth all this effort and time?" The results came that during COVID, I think we supported over 30 households that were solely reliant on the income we were providing as a social enterprise. We were like, "Oh, okay. So we are making some sort of positive change."

Teddy Wilson: Yeah. Just lastly, how does it feel now sitting here looking back on your journey so far?

Noora Sharrab: I think as a small business, it's important to create a vision for yourself. Prior to getting into Whole Foods, I would walk by the soap shelf and I would take a moment, I would pause and say, "We belong on that shelf." And I would walk away. I think it was this consistent, seeing myself on the shelf, and that's like seeing yourself grow and seeing yourself succeed and seeing yourself in that elevated space is really, really, really important. We're so small compared to the mighties, but the mighties were small at one point. And I think I'm just taking those small steps.

- Teddy Wilson: That's amazing. Well, thank you for sharing your story with us. Thank you for the work you do. It's amazing, and I look forward to following the rest of your journey.
- Noora Sharrab: Thank you so much for having me here.
- Teddy Wilson: Awesome.
- Eileen Mac Dona...: Hello, I'm Eileen Mac Donald, CEO and president of GS1 Canada. I hope you're enjoying the podcast. For more information on how GS1 Canada can help you get started, keep listening. We are here as a trusted strategic partner to support businesses like yours.
- Teddy Wilson: Getting your product out there is no easy task. And my next guest is no stranger to the challenges of differentiating yourself on the store shelves. With a background in merchandising and purchasing, please welcome the executive leader of Whole Foods in Ontario. Gary Macdonald. Hey, Gary, how are you?
- Gary Macdonald: I'm Good, thank you. How are you?
- Teddy Wilson: I'm really excited to talk to you because we just heard Noora share how challenging it was for her to get her soaps on the market. When a small business comes to you to pitch their products, what are you looking for? What makes you decide whether or not you're going to take a chance on carrying their product?
- Gary Macdonald: Well, we are really looking for what makes your brand unique. What's your story? Why will your brand improve the overall performance of the category that I already have on the shelf? What I don't need is another olive oil, but if your olive oil has a great story, then maybe it displaces something else. And then the other thing that I need to know is what are your plans to support the brand? We need to know how you're going to demo the product, how you're going to get the messaging out there that the product is available, and then are we test testing it? What are we doing to actually support it? So you need a support plan.
- Teddy Wilson: So marketing feeds into that as well.
- Gary Macdonald: Oh, absolutely. Yeah, because if we just put another product on the shelf, it'll get lost. We need to figure out how we're going to get it into the customer's basket. And that may be promotional pricing, it might be demos, it might be social media. We just need to know what your plans are and whether that's going to work for us.
- Teddy Wilson: Yeah. It strikes me as really interesting because the cost for a bar of soap like Noora's, it can vary from a few dollars per bar to up to 10 times that.

- Gary Macdonald: Yeah, that's extremely important for them to understand. The customers will pay for quality and certain attributes, local or whatever the attribute [inaudible 00:18:49] to be, but there's a limit. They'll only go so far. So you've got to really figure out what are my attributes worth and how much do I think I can get the customer to move towards that pricing? And then also consider that the bigger the delta between your product and everyone else's, the fewer customers are going to go on the journey with you. So you want it to be in the ballpark. You will get extra foot attributes, but you're not going to get all of it.
- Teddy Wilson: Well, are there programs in place? Is there supplemental help for companies that are trying to differentiate themselves in a socially conscious kind of branding way?
- Gary Macdonald: Yeah, there are a number of avenues that you can take where you can get that kind of help. And from us, we actually have a local forager in place. Our local forager goes out into the market and connects with communities to try and inform people around what we are looking for. What are those minimum entry level elements that you need to get on the shelf? Noora again mentioned it with barcodes that don't work, they belong to somebody else. And honestly, we check those things. We're not just going to put your product on the shelf because you've got a barcode. We do verify.
- Teddy Wilson: GS1 Canada barcodes are really crucial if you want to get your products on shelves. Is that right?
- Gary Macdonald: Oh, absolutely. Yeah. We cannot scan a product at the cash that doesn't have a verified barcode. If that goes wrong... Just imagine all the grocery stores and all the scanners that there are in Canada. If that barcode doesn't work, every single retailer is going to be rejecting your product. So we don't let it get that far. It has to scan before we even put it in a planogram before we consider putting on the shelf, we'll test it or we'll get it verified by GS1 that it is a true barcode.
- Teddy Wilson: So you need to have legitimate barcodes. That's absolutely vital. But how else do businesses, suppliers need to comply with the legislation that's out there?
- Gary Macdonald: Noora did touch on that as part of her journey. There are a number of government legislations, whether it's CFIA for food, there's health and beauty care, there's supplements, legislation is all out there. If you do the research, it's there.
- If you take food for example, there is very strict guidelines around what can be on the front of the package, what has to be on the front of the package. There's nutrition fact panels to be considered. There's very clear stipulations about what sizes they can be, what color they can be, where they can be.

And then when you look at ingredients, there's even an lexicon of names and words that you can actually use there. And most of all for Canadians is they have to be bilingual, 100% fully bilingual, none of this French hidden in the corner someplace. The whole legislation is English and French must be the same space on the label. In Ontario, we have OMAFRA, the government agency, they will help you look for this in the natural and organic space. We have the CHFA, Canadian Health Food Association. They've got resources. GS1 has resources for small businesses. So there are a number of places out there that can help point you in the right direction and may even have links that will take you to the answers.

Teddy Wilson: Whole Foods is known for working with a lot of small independent suppliers. So in your experience though, what happens to small businesses once they start to get their product into multiple stores and once they start to have more reach?

Gary Macdonald: This is really crunch in decision time because they have to scale and a lot of them don't scale well. You've got to be able to scale production, you've got to be able to scale packaging, you've got to be able to scale all of the resources that you have. And a lot of them don't manage to do that.

Once you are out of stock in our stores, that's bad news. Chances of you getting back in stock and then back on the shelf are slim. So you've got to plan. You've got to ensure that you're not taking on more than you can actually deliver. So that one's a key.

They're also very slow to move to maybe a broker distributor model. They hang on too long to doing things themselves. I know it's a fine line, you may go too early and it's disastrous, but you've got to get beyond that. And then they also run into issues where they've been trying to demo and support their own products. And again, they don't scale that. They don't look for support and help from outside and that all falls apart.

Teddy Wilson: When you're working with these small businesses and you come across one where they start to have some success, but they haven't scaled properly. Does it break your heart a little bit? Because you get to know these people really well.

Gary Macdonald: It is sad that we lose some of them. By the same token, we get to see great success stories and you know, see somebody who has gone from literally making something in their home, seen them go from there to selling to one of the big guys and cashing out.

Teddy Wilson: That must be gratifying.

Gary Macdonald: It is.

- Teddy Wilson: Yeah.
- Gary Macdonald: It really is. It's great to know that you were in at the beginning and perhaps even we were the first store to sell their product.
- Teddy Wilson: You want these companies to succeed and you want their products to be in your stores.
- Gary Macdonald: Absolutely. Yeah. Because it's a win-win partnership. It's a two-way street. We've got the shelves and the space. They've got these unique brand new products that fit the why.
- Teddy Wilson: So in terms of that, showing business owners the path in terms of how to get carried in stores like yours, do you have any final pieces of advice at all for our listeners?
- Gary Macdonald: Yeah, and we really appreciate that new items are the lifeblood of our business. Without them, we can't stay ahead of our competition, and we are really just going to be the same as everybody else. There's no reason or differentiator for you to come to us. So we really want to work with people and help them out. But there are some things that we really need from you. That's those simple elements. We need [inaudible 00:24:56] that are verified by GS1. We need packaging that's compliant with legislation and really do your homework.
- Teddy Wilson: Gary, some really great suggestions that I know will be really helpful to all the small business owners who are listening. Thanks so much for sharing your insight with us.
- Gary Macdonald: That was awesome. Thank you.
- Eileen Mac Dona...: Hello again, it's Eileen. Thanks for listening to Barcodes & Beyond. In this episode, we heard how Noora ran into problems when she purchased barcodes from a third party website. Over 2 million companies around the world use GS1 barcodes because they're part of a global system and provide the unique identification of products across the supply chain. That means you are authenticated as the rightful owner of your products, which eliminate some of the issues Noora experienced.
- As an industry directed non-for-profit association. We collaborate closely with retail and food service industries, among many others on their shared business requirements. This includes the unique product identification and accurate product data and images required for their product listing processes. To help simplify these requirements, we've created flexible small business bundles for easy navigation. The bundles help ensure the quick and efficient generation of

product barcodes, so you're providing the right data and standardized images required by retailers, distributors, and other trading partners.

Our bundles are designed to help product owners sell the product through as many avenues as possible, whether on shelf in store, or online, with a specific product information needed by your trading partners. Don't forget to tune in to our next episode on Growing Your Business.

Teddy Wilson:

I'm Teddy Wilson. Thanks so much for listening. This is Barcodes & Beyond an original podcast series for small businesses brought to you by GS1 Canada, a not-for-profit association committed to providing small businesses with trusted tools and support to successfully bring their products to market. To learn how GS1 Canada can help you start and grow your small business, go to gs1ca.org.

French – Translation Required