

Herman Mashaba

Challenging the *status quo* – Black Like Me

The name we chose for our beauty products business, *Black Like Me*, in a white-dominated apartheid South Africa tells you something about me. I rejected apartheid and had confidence in myself. What appealed most to me about the name we chose was that it suggested black pride, a consciousness of what our company aimed to promote, and what it would offer to consumers. That was important at a time when black people had very little to feel good about.

Prior to starting the *Black Like Me* business with three partners I tried several ways to make money. My university education ended when the university closed due to unrest. I took the first job opportunity I could find and briefly worked for wages for two firms but switched to selling for commission so that I would be more independent and where working hard and smart would give me greater rewards. The products were; insurance (briefly), then crockery, cutlery, linen and fire detection systems, and finally sold hair care products for another company on a commission basis.

Beauty products sold so well that I decided to specialise and dropped the other products. Soon I was the top salesman for the beauty product firm and a friend who I had recruited was second. I had a large customer base and there was an explosion in demand from black customers in an emerging economy. It took me 19 months of selling these beauty products to conceive the idea of starting my own manufacturing business.

There were several problems to overcome in apartheid South Africa, where black people were supposed to work for wages and not be in business for themselves, except to a limited extent where you were not competing with white-owned businesses. The whole thrust of apartheid was to stop blacks from competing with whites. I nevertheless managed to put together a core consortium with my salesman friend and a white technical expert from the firm whose products we were selling, each holding an equal share in the business. We all resigned at the same time to set up the new venture. A successful and respected black businessman who had made his money by doing business in the dormitory townships that were erected to house black workers adjacent to the “white” cities provided the seed capital of R30,000 (about US\$15,000 at that time) for a 25% share and a high interest rate on his loan.

14 February 1985 the first Black Like Me products hit the South African market. Business was so successful from the beginning that we managed to repay our 3 year loan in just 7 months. We managed to build our own state of art manufacturing facility, internally financed, by 1990.

During these early years we had to contend with a state of emergency operating in the black townships. These were violent times, and police and soldiers patrolling the streets were a threatening menace. Selling in such an environment was stressful but we persevered.

July 1997 I sold 75% of the business to Colgate Palmolive, and bought it back again in August 1999. 2002 started an investment vehicle, taking advantage of black economic empowerment opportunities in South Africa. 2005 sold 50% of Black Like Me to another major competitor.

Today boasts diverse investments spanning from beauty products, real estate, financial services, petrochemicals, information technology, etc. Through my chairmanship of the Free Market Foundation I am involved in trying to influence South Africa’s economic and governance policies in a direction that will benefit the entire population. Apart from business, my family gives me endless pleasure, and the successes of the youth band and Black Like Us artist group that I support, is inspirational.