

Something Extra EP 056 – Derrik Kassebaum

Lisa Nichols: I am excited to welcome Derrik Kassebaum to the show today. Derrik is co-owner of Cosmos Corporation which is a family-owned manufacturing company that makes health and wellness products in the pet industry. Derrik, I am so excited to have you here today.

Derrik Kassebaum: Oh, good morning, thank you for having me Lisa.

Nichols: Yeah, well, I've been wanting to have you on the show, but I know you've had some travels, you've been down under.

Kassebaum: Just got back from Australia.

Nichols: And it was wonderful I hear?

Kassebaum: It was a great trip. We love Australia. I took my wife and we got some business times some pleasure time as well.

Nichols: Well very good, but I want to dive right in because there's a lot that I wanted to talk about this morning. Tell us a little bit about growing up.

Kassebaum: I grew up in St. Louis lived here all my life, have three brothers, two sisters. We were raised in a small town called High Ridge Missouri, which is just south of St. Louis grew up as each other's friends. We had no one else around us. I think that helped develop us through the years just to rely on each other. My dad was a barber of the town when I was in elementary school, everybody knew. "Oh your dad cut my hair". So throughout the years, people knew us and stuff like that, but around the 70s, my mom and dad just came to know God. Wanted to get more involved in the church and stuff like that, and as we were sitting there on Sunday mornings, he'd hear these missionaries come in and talk, and they talk about their adventures and how they see God moving around the world.

My mom and dad just got a burden for the mission field, but he knew as a barber, he could never do that. You got to cut hair to be able to keep paying the bills. So in 1980 he bought a

distribution center for beauty supplies. It was more of a struggle than he thought it was going to be. Probably a couple weeks after he bought the company, he found out that there were some unpaid taxes, some unpaid bills and quite a bit of debt that he needed to cover. So the next three to four years, was a quite struggle for my father, I remember waking up at three o'clock in the morning, many mornings and just hear my mom and dad praying, God please don't let go bankrupt please don't let us go out of business. And it was around 1984, actually that I was with my parents were out in California, I had two other siblings with me another older sister and my younger brother and we went to a church and the pastor who was preaching basically said that there just needs to be people in the church, people in the kingdom of God that have prosperity to move things forward.

So my mom and dad walking across the hot pavement, of the asphalt after church we got to the back of the camper and my dad just said I'm done. God, you take it, if you want to grow it... Grow it. But if it's not for us, take it away. It was about a year later that it was really interesting. A dog groomer called my dad, she said. Can I use your product in my dog groom shop? And at that time my dad said, I'll sell it anywhere, I just need me money. So with that, he started selling dog shampoo, he had someone making them dog shampoo at the time selling dog shampoo to dog grooming shops and one thing led to another. And we're in the pet industry now. So in 1990, a gentleman who was making shampoo for us had a heart attack and passed away. Again, my dad was like, "Well I'll just buy the company and we'll start making dog shampoo. He went back to the wife of the husband who died and basically just say, "Can I buy your company? And she said, Yeah, same amount of money as he bought the previous company goes. No, I've been there before. I don't want to do that again.

But he bought the equipment to begin making shampoo and we had a lady come in and teach us how to make shampoo. We began making it brand called Tropic Clean, it was the first natural shampoo on the market at that time that we knew of that was really promoted that way. That allowed my Mom and Dad, then to step into the mission field around 1992, if you remember, right, in August 92, Hurricane Andrew hit Miami. And my mom and dad went down there to serve, and when they got down there, they met a group of Guatemalans. They are about 30 Guatemalans that came up rode in a school bus all the way up over through Mexico, all way through Texas down to Miami and they were serving, and my mom and dad served with them and they serve so well, that actually my Dad got a direct line to President Bush's private secretary at the time that if he needed anything, he could just give her a call. So I was really interesting God's favor, was upon it, but that launched my mom and dad into the mission field, and it launched myself and my brothers into creating this brand called Tropic Clean so therefore

we spent the next 30 years now, building this brand that we call Tropic Clean and we just see God's favor and his hand of favor upon our company throughout the years.

Nichols: Well, there is so much packed in there, because I'm just thinking about your dad. He didn't go to business school. It was kind of learning as he went to a...I took a lot of courage

Kassebaum: That's right, and if you think about it, my mom a dad started in 1970. starting to hear about the mission field in 1980 said, "we're going to make this move towards it, but it wasn't really until 1992-93 that they were released into that. So for 12 years, it was a burden on their heart, but it didn't happen yet so it was the longevity of staying towards that focus. And just saying I'm going for this, I know I'm supposed to do this, it's a hope, that's inside of me and they kept pushing towards that hope.

Nichols: So, I think that's an encouragement for people out there that may have something that's been put on their heart, like that, and it may not happen next year it may not happen in five years. You may need to wait 20 years

Kassebaum: We're a family that definitely believes in God, and what the Bible says. And Hebrews 11 it talks about the heroes of old Abraham, and many of the faith leaders and it says many of them died without ever seeing the fulfillment of what was to be and what they had hoped for. Sometimes, it's sad, it's just maybe the next generation will carry out the dreams that we actually had, but we continue to push on and I think that's what my dad always instilled in us and my mom instilled in us is just to keep going, keep driving towards that which we desire to do. But like you said, "none of us actually have a formal college education. I have a one brother he has an aerospace engineering degree, making dog shampoo. And I came right out of high school, and the next day I'm selling dog shampoo, out of my car. I have another brother wanted be in the police force and he came in, selling dog shampoo and I have one brother that went to accounting, but he never completed all the way through, but he was our CEO for many years.

Nichols: So, talk to me, I'm going to back up one minute, tell me all of your siblings names. I would just go through the path.

Kassebaum: It goes Don, Carol, Daren, Darlene, Derek and Denver.

Nichols: I think that that is so fun that asked you about that. And I said do Carol ever go "Hey, what were you thinking, We... But she was number two." And so then they just decided... We really, really like the Ds. And so that's what, three through six,

Kassebaum: I'm sure at times she probably felt left out. Yeah, it was just by the time they got to Carol, I think they heard of Jack Janet Jane family, and they're like... Well, we want to go with the Ds also, so they're able to fulfill that.

Nichols: I'm going to back up to another point where you said, like on the Tropic Clean that you guys were using natural ingredients, what inspired you to do that? What was it that you said? This is how we're going to do. It's a big differentiator for you guys.

Kassebaum: When we created Tropic Clean, we wanted to create a brand around tropical ingredients, so therefore we put tropi clean together so we were cleaning with tropical ingredients because we knew that the market was turning towards natural. It came through the '80s, of course, for starting now, into the '90s on developed this brand originally was called Prestige products, but we changed that brand name. So, we could work within that... Because prestige really say natural. One of the first products we ever came out with that was a true natural product that really re-defined a category was the Flea and Tick Shampoo.

Funny story about that was, my brother Darren who has developed a lot of our formulas over the years was listening to the news, and I said The St Louis Botanical Gardens, got their first tree and was a tree to solve all problems and a little story about that was in the 50s, a big local infestation came through India, killed off all the vegetation, except for that tree. So people are wondering why is such a good insecticide? Well, now we can use it in a flea and tick shampoo to kill fleas on contact and takes about two to three minutes on a tick, but we came out with the first natural flea and tick shampoo and just took for us.

Nichols: That it's brilliant. Well, talk to me a little bit because I know that there's some uniqueness with family-owned businesses. You guys probably never argued or never had an impass in decision making or anything like that, or a...

Kassebaum: That's the great thing about families is, you always agree. It's always, it goes smooth and everybody thinks the same way and because got same last name. And we all know that's not true, there's many family businesses that don't succeed. And thinking about that, one thing that we did at the very beginning, is we all said we're going to make the same amount of

money. No one makes more money than each other. So that was our first decision, I think that was key to our success was we all are the same value to the organization. There's not one that's making more money to the CFO or there's not one that's making last because he's a salesperson, he's gotta prove his sales and stuff like that. But we all brought our uniqueness. One other part of that that as I thought about this is, we can't go into someone else's area.

There's people with different giftings, you stay in your own lane, right? And at too many times, we want to even in help going into that other lane and say, "Hey have you thought about this or we're doing this wrong, and you can always give a suggestion, but you gotta leave it up to the other person to take the direction and usually you don't give a suggestion in family unless you're asked for that suggestion because too many times, it's taken the wrong way. So we have argued, but the other part of it is you are family and when you walk out the door at the end of the day you are family, so you walk out the door, the organization, you go back in the family so you have to remember family comes first.

Nichols: There's just so much packed in there, and I think part of the secret sauce for you guys because you got an amazing culture. I know you can talk a little bit about that. Even the hiring process that you guys go through is very arduous, but you're wanting to make sure people are completely aligned with the culture. I think one of the secret sauces is, you all had a common in mission at the end of the day. I think that's the other uniqueness is the intersection of the business and it really kind of what your dad kind of was like the Aha. It's like I want to do something to serve but I know I need this other vehicle I can't just be... a barber.

Kassebaum: I think that's a brilliant point because we got the vision that my parents had, and so my parents were basically the helping hand out into the world of what we actually wanted to do but it was up to our responsibility to fulfill our end of that, which was create the income for what we wanted to do within that we saw the vision of what my mom and dad's heart were which were the poor, needy, around the world, but really a lot of it was the children. Because a lot of times, there's good organizations that serve the children but it's more for building that organization than actually serving the children is what we found.

I could go into the whole story of where my parents were, but their heart was actually just to help the poor, needy around the world and they've done this many different ways, and they've been chased through the Congo they've been through Albania, and in 1998, during the Albanian crisis where they needed to feed the refugees from Albania, they snuck across the board and were able to do that, but one of their hearts was definitely Central America, they went down there,

they drove down there many times throughout the years to reach the Indian villages, that no one else could get into and within that they got heart for the people. And I think when it all comes down to it, is they got the heart but because the DNA we got the heart and so we were able to do what we did every day, to help their vision.

AD: Well, I want to dive more into that, because that is just fascinating to me, but we're going to take a quick break and we'll be back with Derrik.

Nichols: Derrik. So you just said to me a lot of things about your parents and how they had this heart and then you guys caught that. But what I want you to dive into that does not just happen because I know sometimes it doesn't pass on. So what kinds of things did your parents do? I mean, what was it about how they led their life that got all of you guys passionate too?

Kassebaum: Every time my parents came back, we had a time to get together. One thing that we do in our company and we've all was done in our family is on Monday mornings we get together, and pray, so we pray every Monday morning, we get there an hour and a half, sometimes ahead of time, and we just pray because that's what we do, but my dad would tell stories, he just get back in from out of town, he tells stories of what had just happened. And when we'd hear these stories, we got the bug that he had, which was the love bug for others. And I think when you catch that you then increase your vision of what could possibly be throughout the whole organization. So I think that's kind of how it transferred is he just kept telling the stories of what had happened within their travels. Now, we wanted to be a part of that, but we also want to do our job well so that they could continue on the progress on where they've been.

Nichols: Talk to us about Guatemala and what had they done in Guatemala because I know they've done a lot in Guatemala, Haiti and the some other places

Kassebaum: Throughout the years, as they drove down to Guatemala, which is crazy enough and they have so many stories in that my dad wrote a book called He will make a way which you can find on Amazon. I think it's a great read, everybody that read loves it. I cried through the whole thing, and it tells all those stories but as they went down there in 2006, they just got a heart for the kids down there and so they actually bought 24-acres, it was an old orchard and their heart was to actually build a children's home down there for kids that were on the street. One thing that grew out of that was they started having the government come by and say,

"Would you take this child because of this reason, or that reason? And a lot of times it was because orphanages won't take them because there was baggage with them.

For example there was my first trip down there, the director was telling me of a six-year-old girl, who was put out for prostitution, by her parents every day for two years so that their parents could get money, of course, just damage child. There's just so much to go through within that. And so, they gave forever homes to these children. So right now we have about 100 children down there that we care for but also throughout the years, as my parents went up into the indian villages, to these churches to minister to the people, many of the churches said... Can we join you and my mom a dad say, "Well there's nothing to join, and they say... Well, could we join you?"

So my mom and dad realized they had to put together an organization and so they created an organization called gifts of love international corporations in St. Louis. We'd give them gifts and sent it down there, unused merchandise and things like that. We would give all their un-sellable clothes and they'd take it down there for the people but they created this organization. So over the years, about 65 churches have joined that or Guatemalan churches. So I have one brother, his name is Don, oversees the children's home now. My brother Darren oversees the 65 churches and just helps the leadership within that. It's been passed on to that next generation. And with doing that, we also have to pass on our company to the next generation. And I know you would like to ask some questions within that

Nichols: I do, I do. So a few years ago, I don't know if it's four years ago, five years ago, you guys decided to pass the baton to the next generation. Talk a little bit about that journey.

Kassebaum: Yeah, it becomes a huge challenge because it's what you built, it's what you know for probably your whole corporate life, if you started as an entrepreneur for the beginning, giving up those reins to someone else, is very hard. It was about four or five years ago, that we decided to do that but it was only two years ago that we were able to do that because we were finally able to just go. We've got to do this, we gotta trust the people that we're going to give it to, and then we have to get out of the way. An interesting story that my dad taught us years ago was when he gave the company to us in 1992. He was actually in Miami and he was driving all the way home because we drove all over the United States at that time and as he went through Orlando, he picked up a hitch-hiker and that hitch hiker was with him for about an hour.

I think my dad said he was drunk and everything, but when he got out, my dad gave him one of his last 20 bills, then he went on and he heard God say to him. You're willing to give a stranger, the last of what you have, but you won't turn over the company to your sons. So he went home right away and turn over the company to my oldest brother Don at the time, and he was able to give up, but that launched him into the new endeavor in his life. It's the same with us, you gotta learn for the next generation is they're going to do it different than you. They're going to think different than you and they're probably going to do it better than you. You just gotta sit back and watch.

Nichols: Sure, yeah and I think sometimes the fear is that they won't do it better, or even if they do it differently, it's not going to be the right thing. And then you know what happens. But I think you have found that when the rain got turned over, and this is Don's daughter Nicky's husband, Landon. I think he's got a lot of new ideas and a lot of vision

Kassebaum: He does, and he's very good at handling five different personalities and five different strong personalities. But within that you give it to the right person and let them flourish, and run with it and get out of the way.

Nichols: I love that, that is great. Well, this is something extra. Derrik, I want you to talk about something extra that you've seen in a team member or obviously your dad has lots of extras that we could talk about but tell us some stories.

Kassebaum: It's really interesting you brought up Landon when Don first mentioned bringing Landon in. I always probably not Landon's biggest fan. I was just thinking, my brother, Don wanted his son in law in the company, but when we brought Landon in as our CEO two years ago in November 2017, one thing we definitely messaged to him is, we want to keep the culture that we had, we never defined it, but we want to keep that culture. So, over the next six months, Landon Hopson and Stacy our director of HR, got together and collaborated and said, What is that culture? And they came up with five culture principles that we live by now, which is honest and humble evaluation clarity communication be a creator be willing to make the coffee pet parent approved because we're in the pet industry of course. And within that, then they were able to message that to the entire organization and that's now what we live by. It's pretty neat.

You brought up Australia at the beginning, we had our Australian distributor in back in March and he got to hear this, he got to see, our morning meetings, he got to listen to our culture, he got to see the people and the way they respond to each other, and so he actually asked me to

come over and teach those cultural values to his team, so I just got back. I had the privilege to go in Australia and now outside of our company, we're helping another company build this culture. When I got there, I was able to make this presentation but before hand, he introduced me to a few people, one of the young men that they introduced me to was a 19 year old named James, I asked James what he did, he said, "I just work in the warehouse".

Well, I keyed in on that, it's when I make my presentation. I asked James to come up and I say, "does everybody know what James does?" And they all said, "Well he picks him packs, he pulls product, he cleans the warehouse, he dumps the trash. And I said, "Does everybody know what Dan does? Dan's the sales manager, well, he sets the goals he helps develop sales people he's laying some deals and then I said, What does Heinrich do? Heinrich's the owner. Well, he pays the bills and everybody's more scared to talk to then and he pays our paycheck. And I said he's the most important person in the organization and no one wanted to say anything. And I said they all are the most important person in the organization. And I said, I live by the Bible, and the Bible says in 1 Corinthians 12, that the body is made up of many parts, and the hand can't say to the eye. I'm not part of the body because I'm not an eye where the foot can't say to the hand.

I'm not part of the body because I'm not a foot, so it takes the entire body to move forward. And an interesting thing, and that is I asked James at that point to eat a donut. And of course, a 19-year-old. Yes, I'll eat a donut, but I tied his hands behind his back, and I made him eat the donut off the table and afterward I said, James were you able to eat donut, he said, "Yes". I go would have been easier with your hands. And he said yes, and I go. They're not just your hands anymore are they but they're part of the entire body. And with your hands, you can function a lot better. And I think that's key for us. And what Landon brought to the team was, I'm willing to be humble in my evaluation of myself that I'm not too big for this organization because I'm at the top where I'm not too small for the organization, but the Bible actually says, the weaker are indispensable, so I just love that they're able to take our culture of what we were doing and actually put a definition to it, and now we can message that out to both inside our corporation, and outside our corporation.

Nichols: Absolutely, so, Derrik. One of your core values is, I will make the coffee for you. Can you tell me a little bit more about that? Where did that come from?

Kassebaum: Sure, I was wanted to know as well. And so when I found out what the story was, I thought it was really neat because it's how we always led as well. Landon comes in our CEO comes in every morning beats everybody else there and makes the coffee, for everybody else.

He helped set the pace for the day. He takes that challenge away right at the beginning, so they can walk in there, get their coffee cup and start drinking their coffee. That core value means this is sometimes during the day, you got a very busy day but so do those that are working around you, and just take a few minutes out of your day to ask somebody, "Is there something I can do to help you, or when asked, don't just push it off. Just say, Yeah, let me help you, let me make the coffee for you. And we just try and build that sense of servant-hood even in the team member.

Nichols: And it's starting at the top

Kassebaum: That's a right from Landon the CEO

Nichols: So tell me, Derrik, what do you believe is this something extra that every leader needs?

Kassebaum: I changed my philosophy on leadership over the last five years. And within that, I believe that a leader's vision is not for the organization, but the organization's vision is for the leader. If you take a triangle and you flip a triangle upside down normally the way we build an org chart is we'll put the leader at the top, and everybody else underneath them. Well, I believe you should actually flip it upside down and put the leader at the bottom with the triangle upside down now because the leader holds up the organization, it allows everybody to flourish up and out of it. You put our leader at the top. Like we learned in the 80s, climb the corporate ladder. And we get so high, you can only grow so much and that's where we get ourselves in trouble is I can't do anymore because I'm at the top, or I can't get to the top, because there's others in my way. Well, if you're at the bottom, holding up the entire organization and saying, I'm just watching what can I do to help you go forward? You help the organization go forward. I just saw a picture of a wolf pack.

They always put the elderly or the sick wolves at the front to set the pace for the entire wolf pack because if you set the pace too fast, they fall behind, right behind that is some strong wolves to protect them, then you have the body of the wolf pack, you have some strong wolf packs at the back to protect the entire pack, but the leader always follows at the end and the reason he's following at the end, so he can set the pace he can help, he can maneuver he can make sure that they get to their final destination. And I think that's the core of a leader, if we can learn that is we just need to watch the organization and we don't need to pull the organization, let them do what we've hired them to do, let them be who they're supposed to be but help direct get to that final vision that we're all shooting for.

Nichols: What a beautiful illustration I love that when you're at the back, you're seeing everything right, if you're upfront you don't always see but boy you have to have that vision from the back to see how the whole team is working together.

Kassebaum: That is correct, and you can make directions very easy if you get your eyes on the whole organization instead of you're trying to get everybody to catch your vision, if the entire organization can set the vision and know where they're going. Everybody takes ownership of that vision.

Nichols: Beautiful, I love that illustration. Well, tell me, is there anything right now that you're involved in that you want our listeners to know about it? And if they're excited to get involved, how do they do that?

Kassebaum: So a couple of years ago as we transitioned leadership, to Landon and the team, I sat there and go, "What am I supposed to do well I grew up in this beautiful city, called Saint Louis. And St Louis has struggled over the years with many different things, crime, reconciliation. I've gotten able to be out in the community and just talk to the different people that are affecting the STL area. One of the gentlemen that I just talked with his Kurt Wilson, he started this organization called pray for the Lou the news just did an article on him during the time where we had some really bad violence in St. Louis over the Labor Day weekend and so Kurt has put together this 314 prayer and what he's asking everybody to do is that just set your phones for 3-14 every day for 60 seconds, just pray over our city pray for God to just come in and just touch our city. Help ease the hurt, ease the pain and get rid of the violence in our city. But he's also set a time on March 14th, 3-14-2020 that he's asking some churches in the 79 precincts to get together on that day and pray over our city, and just pray for God to come in and just reveal himself here. You can find out all the information if you want to get involved.

Nichols: Very good. Well, I help a lot of our listeners do, Derrick, this has been just so much fun, it has been a pleasure to be with you today.