

HOW TO BUILD A BILLION DOLLAR BUSINESS

ON
PURPOSE

FOR
PROFIT

WITH
PASSION

RADEK SALI

ENTREPRENEUR AND FORMER CEO OF SWISSE
WITH BERNADETTE SCHWERDT

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CHAPTER 1

BORN THIS WAY

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I was an unusual child from an eclectic family. Born in Scotland and raised in Australia, my father was of Albanian extraction while my mother hailed from the Czech Republic. I am a product of them in so many ways. I'm warm, loyal and hard-working like my father, and direct, creative and disciplined like my mother. This confluence of traits paved the way for my journey into entrepreneurship.

I grew up in leafy Hawthorn, a well-heeled, genteel suburb 9 kilometres east of Melbourne. It was a far cry from the farmland of Shepparton, where Dad was raised, and a long way from the soviet-ruled Czech Republic where Mum was born. As one of the only European families in this quintessentially Australian neighbourhood, our distinctive identity set us apart. I felt different. Actually, it wasn't a feeling; it was a fundamental truth. I was different.

For a start, there was my name. In a classroom of Craigs and Steves, I was Radek. Once the teachers stumbled their way through my first name, they'd encounter my middle name, Rudolf, the namesake of my beloved grandfather. Well, you can just imagine the reaction that got from my classmates.

My food was different. Most kids had a vegemite sandwich, a coconut doughnut and an apple for lunch; I had frankfurts, a boiled egg and green bananas.

I looked different. I was inordinately tall for my age, lanky and wide jawed in that classic Slavic way. I towered over everybody and compensated by stooping so I could blend in. My hair was different too. I had a flat-top haircut, quite a contrast to the bowl-cut style the other kids had.

Even my shoes were different. Mum, being European, thought that the standard-issue Clark's were orthopaedically inappropriate for growing feet so she made me wear a pair of T-bar girl's sandals that were cartoonishly two sizes too big for me. I can still hear their thwap-thwap-thwap on the hard tiled floor as I made my way down the corridor into class.

We did different activities on the weekend too. Most seven-year-old boys spent their Saturday mornings playing footy or soccer. I spent mine at Mangala Studios, a hippie-inspired sanctuary for free spirits and unconventional thinkers nestled within what was then the vibrant counter-cultural landscape of Carlton in Melbourne's inner north. I spent the day learning the esoteric arts of yoga, Japanese ink brush painting, creative dance and meditation. When we weren't at Mangala, we spent the weekends at our Uncle Bill and Aunty Bev's farm in Shepparton, picking fruit, hoeing the veggie patch and playing with my cousins amongst the land, trees and dams that surrounded the farm.

This early exposure to creativity fundamentally altered my perspective, and enabled me to perceive intricate links between ideas, individuals and procedures that might elude others. Above all, it ingrained in me the profound influence of the mind. My interest in all things esoteric began at this time and moulded me into a young thinker who saw the world not as it was, but as it could be.

Family is everything

Spending time with my large, extended Albanian family in Shepparton shaped me as a person. I didn't realise it was unusual to sit down to a lunch with up to forty of my closest relatives on a weekly basis; to be greeted with a hug and a kiss on both cheeks every time I arrived at every family occasion; to feel unconditionally loved and supported by a huge array of uncles and aunties and cousins and other family members

from the wider Albanian community who accepted me for who I was and provided me with the love and mentoring I needed to achieve any goal I set my mind too. I was blessed to grow up in this Mediterranean culture that valued family so dearly and it gave me the inspiration to re-create that same sense of family in the workplaces of my future.

I brought down the Iron Curtain

Both my parents were refugees from Communist-ruled countries. My mother, in particular, talked openly and often about the repressive politics in their respective countries, and what life was like under Communist rule – how restrictive and oppressive it was; how a progressive thought or transgressive action could land you in jail; how trust was elusive; and how even your closest neighbour could betray you. As a soulful child, I grew up with a strong desire for both my parents' countries of origin to be free. It wasn't just a passing wish; it was an obsession. The Iron Curtain symbolised this repression and over time, it became the focal point of my seven-year-old mind. I knew more than most about the history of the Iron Curtain: what it was, and what it represented. To my parents, and me, it represented 'the system'.

As such, my single-minded goal was to 'bring down' the Iron Curtain, and, in doing so, release my parents from their persecution and free the people of the world from Communist subjugation! I wished for it so hard – every time I blew out candles on my birthday cake or tossed a coin in a fountain, it was to bring down the Iron Curtain. I honestly believed that if I thought about it long enough, and hard enough, I could bring an end to this oppression. And then, six years later, something incredible happened – the Iron Curtain fell! I wished for it to fall, and it did! It was a miracle! And it was all because of me! It got me thinking. If my thoughts could bring down the Iron Curtain, what else was I capable of? I could change the world! From that moment on, I was convinced that my thoughts had the power to manifest change, and this belief has stayed with me throughout my life.

Looking back, I can see this was an unusual way for a young boy to think. I knew I was different and the kids at school never let me forget

it. After a while, I just embraced being different, and went deeper into *being* different. I accepted it, welcomed it and stopped fighting it. Eventually being different just became who I was, and the more secure I became around that, the more confident I became in myself. My parents encouraged me to be different too. They had always sat outside the system of what a typical Australian citizen looked like back then. They had gone against the grain and they fully encouraged me and my two younger siblings, Lenka and Filip, to do the same. Dad's favourite saying was 'Think different to make a difference'.

Ultimately, being different became an asset. It made me impervious to insult, teasing and offense, and steeled me from a very young age to not take things personally. My mother had a strong personality and insisted I take advantage of all the opportunities she and Dad had worked so hard to provide. This resulted in lots of arguments, berating and yelling, so I was already inured to verbal abuse. I endured it, and accepted it, because at the core of it, I knew her anger was born from love; that her heart was in the right place and that she wanted the best for me. This ability to endure criticism set me up well for a lifetime in business.

Mum the maverick

Mum did not have an easy life. When she was 12, her mother went in for a routine medical procedure and died on the operating table. Seven years later, when the Prague Spring erupted and violence broke out, Mum fled for London with nothing but a suitcase, two pounds in her pocket and a smattering of English. She found accommodation in a tiny bedsit on the outskirts of London, a low-paying job, and tried to make a new life for herself.

When the uprising ended, it was too dangerous for her to go home as the regime was punishing anyone who dared to return. She had the choice of going to Canada or Australia, chose Australia, boarded the ship with her husband, and landed in Melbourne four weeks later. (Yes, husband. While in London, the only way she could stay in her rental bedsit was if she had a marriage certificate. Ever the pragmatist, she married a Czech man staying in the room next door so they could both have a roof over their heads. When they stepped off the boat, they

went their separate ways, without antagonism or enmity. It was a true marriage of convenience.)

By day she studied medical science at the Royal Melbourne Institute of Technology (RMIT) and by night, she studied English at TAFE. She chose science as it focused more on the numbers and less on the words. She befriended a fellow Czech student in the medical course who had better English than her. This lady became the human equivalent of Google Translate and every night my mother would take the translated notes home and study them in her own language. She graduated four years later with a degree in Biomedical Science and many years later would go on to set up her own laboratory business.

Dad the disruptor

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Dad grew up in Shepparton on a fruit farm with his five brothers. Money was tight for them too. There was no electricity, running water or refrigeration and, while the Shepparton community was mostly welcoming, Dad and his family were more than aware that they were foreigners in a strange land. The boys tilled the soil, planted the seeds, picked the fruit and packed it up for shipment to the Melbourne markets. It was hard, back-breaking work but it was all hands on deck to make ends meet.

When Dad was eight, he contracted rheumatoid fever and spent a month in hospital. He went in with a fever and came out with a vision: he would become a doctor. The teachers at Shepparton High laughed at him. A doctor? Good luck with that. He was dux of the school but it wasn't a sandstone institution, so he didn't get accepted into medical school. He studied agricultural science for two years, and with the backing of one supportive teacher from his primary school days who believed in him from the beginning, he kept on trying. When Monash University opened their campus in Clayton, he won a place in their first medical school intake and became the first Albanian in Australia to enter university.

Mum met my dad in the corridors of the Alfred Hospital when she was working in a blood laboratory and he was working as a registrar. He offered her a job in his laboratory, and then asked her to marry him

a few months later. In 1976, they travelled to Scotland so Dad could finish his surgical training under Dr Andrew Kay, the Surgeon General to the royal family. The hospital found accommodation for them in a freezing, cockroach-infested flat in the worst part of Glasgow. Mum was pregnant with me at the time and after she gave birth, tried as best she could to tend to this newborn on her own while Dad worked around the clock to complete his tuition. Mum always complained that I was a fractious, unsettled child, which doesn't seem surprising, given the circumstances.

When we returned to Australia in 1977, we settled in Hawthorn and Dad became an associate professor at the University of Melbourne, later Deputy Chairman and Acting Head of the Surgery Department there. He was a specialist surgeon at the Heidelberg Repatriation Hospital, and then became the director of the Victorian Public Health Research and Education Council.

Father of integrative medicine

Dad saw the power of integrative medicine long before most medical professionals. He understood the impact of nutrition, exercise and mindset on health and wellbeing. He was mystified that doctors received seven years of in-depth education about how to cure a disease, and one week's education on how to prevent it. He wanted to reverse that ratio. He was into prevention, not intervention. He couldn't understand why others in his profession didn't see that.

He told me of a time when he was doing his medical rounds with his colleagues and a supervisor. They assessed a Polish patient who'd just had a heart attack. Dad knew the Polish diet was heavy on processed foods and lots of red meat and yet the other doctors disputed that the diet had any role to play in the disease. They would poke fun at Dad and say, 'If he'd eaten a bit of brown bread this could have all been avoided.' It seems insane to think that was how doctors thought, but that's how it was.

Dad felt so frustrated at his inability to break through the system and was disappointed at how this hampered his progress in academia. He spoke often about how hard it was to beat their 'fix-it' medical ideology

and wished they could blend the best of that world with the world of preventative medicine. This interest in integrative medicine put him on a collision course with the pharmaceutical industry in a battle that would last a lifetime.

The medical profession laughed at my dad, and it took 20 years for his work to be published. He subsequently went on to author over 300 peer-reviewed papers on integrative medicine, became the founding Dean and Professor of the Graduate School of Integrative Medicine at Swinburne University in 1996 and in 2009 established the National Institute of Integrative Medicine (NIIM). He is now widely considered to be the ‘father’ of Integrative Medicine in Australia. To me, he is my mentor, my inspiration and the ultimate disruptor.

Working hard

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I have a prodigious work ethic, fuelled no doubt by my mother’s formidable resilience and my father’s relentless drive to educate the world on the powers of natural medicine. My working life started early. My first ‘job’ was babysitting my two siblings. I took this on when I was eight. Mum’s instructions were as strict as they were brief: ‘Don’t answer the door.’

When I was nine, I delivered 40 newspapers a day and made seven dollars a week. When I was 11, I washed dishes at La Pizza Quadratta in exchange for five dollars a shift and a pizza of my choice. (Pizza was and still is my favourite food, so I was rapt.) The queue for their ‘square’ pizzas snaked out the door: an early lesson in how to create a point of difference in a commodified industry.

At the age of 12, I worked in the warehouse of Dynamo House, picking and packing bottles of essential oils to send out to customers. Stefan Manger was the enigmatic owner of this unique Australiana homewares business. He was a friend of my father’s, and our family spent many weekends at his mansion in Eltham. This artistic outpost was a melting pot where artists, writers and activists would gather to eat, drink and create wonderful works of art. I was in awe of these exotic individuals and distinctly recall the wild hair and cherubic cheekiness of a young Michael Leunig drawing his caricatures and cartoons.

When I was 13, I worked for my Uncle Hismet's country fashion shops, a super successful business that attained legendary status in Shepparton. (It's still there, 50 years later.) I also worked for my Uncle Haset, a lawyer (and former chairman of SPC, Shepparton's largest company), filing documents for his legal firm. (The Sali family was industrious. My Uncle Sam ran a hugely successful trucking company and Uncle Alan was an early mentor and always had time to guide me and provide advice.)

When I was 15 I worked at a deli after school, cleaning out the fridges and closing up the shop. The highlight? Snaffling a couple of unsold sandwiches at the end of the shift. Like most teenage boys, I was always hungry. My dream job was to flip hamburgers at McDonald's. It was the coolest place to work, but the manager revealed to one of my mates that as he couldn't pronounce my name, he wouldn't take me on. I remember the searing burn of being discriminated against for something beyond my control and vowed I would never do that to another.

These jobs didn't pay much but I didn't mind. I derived great joy from working and valued the experience. I also received an early lesson in noticing how some employers valued me and how some didn't.

Mum and Dad frequently reminded us that they had worked their hearts out to ensure we had access to every conceivable opportunity. Their ethos was clear: work should be something you enjoy. Don't worry about the money – it will come. To them, money was the by-product of a job well done and the intrinsic satisfaction of doing the job well brought about happiness. Dad always said, 'It's not what you do, it's how you do it.' The purpose in doing something was everything. I inherited these principles and it taught me to focus on my actions rather than on the financial result.

A practical joker

Things changed when I turned 15. I still had the work ethic; I just chose not to apply it to school. Like many teenage boys, I was more interested in footy, fun and flirting. I was academically strong but behaviourally challenged. School bored me and getting bad marks didn't bother me. I just didn't see the point of school. I couldn't understand why or how

algebra or *Othello* was going to affect my life and I couldn't get motivated enough to care.

I wasn't altogether lazy. I played a lot of sport: Football. Basketball. Cricket. Tennis. Skiing. Athletics. You name it, I was into it. I was a handy 190 cm, and fast as a whippet, so I was a valuable member of any team. (I could run 100 metres in just over 11 seconds.) I ran the first leg of the 100-metre relay in the state championships but jumped the gun three times at the finals and was disqualified. (Our previous times guaranteed us we'd lose anyway, so I figured we might as well get a running start.)

I squeezed as much as I could into my last year at school. I did six subjects instead of five and was equally uncommitted to all of them; I learned to drive; I had a girlfriend, and played endless rounds of street basketball with my mates at the local courts. I liked to party (a lot), and have a laugh. I wasn't a bad kid but I was cheeky and would play practical jokes. During the school church service, I'd bounce a tennis ball up against the wall, and catch it on the rebound. We'd snort and snicker behind our hands, the laughter all the more illicit for the fact we were in church. I'd push my mate into the procession of teachers as they made their way up the aisle: cue more uproarious snickers. When I was called on to read the psalm to the congregation, I'd read it with a particularly loud voice, seeing how far I could take it before being called out. It was hilarious watching my mates try to contain their laughter during the sombre silence of a church service. If there was mischief to be made, I was there.

My bad behaviour drove my parents to distraction. They had scrimped and saved to send my siblings and I to Carey Grammar, one of the most expensive high schools in Melbourne, and here I was, frittering the experience away. Mum nagged me relentlessly. *Do your homework. Stand up straight. Take out the rubbish. Do the lawns. Clean your room.* (She was so incensed with my messy room she once dumped all my stuff onto the front lawn and threatened to throw it out if I didn't sort it out.)

One day a bottle of tablets turned up in my bedroom. My first thought was 'Why are you putting me on drugs? I am not out of control.' 'No,' said Mum, 'But your hormones are. Take one of these each day and you'll feel a lot better.' I took the tablets (they were Swisse Ultivite) and, sure

enough, I felt more energetic, less irritable and better able to manage the flurry of hormones that came with being a teenager. My equilibrium was returned, and my trust in my parents along with it. (This was my first contact with Swisse, or 'Suisse', as it was then known, and I distinctly remember feeling an intuitive connection with this brand; I still recall how nice the tablets smelled and tasted. This experience also piqued my interest in nutrition. If these tablets could help improve my mood so quickly, what else could these things do?)

Unsurprisingly I didn't do well in Year 12. I got low marks (62.75, in case you were wondering). Did I wish I'd worked harder? Nope, not really. Did I wish I'd got better marks? Yes, to please my parents. But I knew instinctively I'd find something I'd love and turn it into a success. I didn't mind working hard. When I did, I did well at it. I just wanted to work on something that made sense, had purpose and was useful. School didn't meet those criteria. I wanted to go to university but my marks didn't leave me with many choices, so I enrolled in an Arts degree at La Trobe, majoring in Law (to appease my parents who thought I might become a lawyer), Politics and Cinema Studies. The Cinema course, which was really the only component of the degree that interested me, had limited numbers and I didn't get in. When I told my mum I'd been denied entry, she rang the faculty head, gave them a blast, demanded they enrol her son, and hung up. It worked. I got a place in the course. As mentioned, my mother was rather formidable, and yet deep down, I knew her every action came from a place of unconditional love and a fierce desire to give me access to every opportunity she could provide.

Getting to the campus was my first challenge. It was in Bundoora, a two-hour round trip from Hawthorn. I bought a Datsun Stanza, (aka 'The Silver Bullet') off my Uncle Ludek for \$800 and spent a further \$800 on a car radio. It was worth it; driving to and from campus each day with Pearl Jam blaring at full tilt was my idea of heaven. (I still have the tinnitus to show for it!)

The La Trobe University campus was way out north, and way out of my comfort zone. This was not an Ivy League institution. It was a hotbed of political activity where the disenfranchised, the disengaged, the left, the greens, the feminists, and the socialists all came together to contest their ideals and compete to have their opinions heard. Many of

the students came from disadvantaged backgrounds. This experience opened my eyes to issues of social class and I saw that not everybody got access to the same resources and opportunities that I had received. I got high distinctions in the Cinema Studies course without a lot of effort, mainly because I was learning about something I loved. This was another early lesson: if I wanted to succeed at something, I had to have a passion for it.

Give the gift of time

Time is one of the most valuable currencies we can offer those we love. I get this from Dad. He would come and meet me for lunch at The Agora pub on campus every week. He was incredibly busy with his work but he always made time to be with me. I have never forgotten that and it's why we are still so close today.

DISCOVER THE **STRATEGIES AND SECRETS** OF A \$2 BILLION AUSTRALIAN SUCCESS STORY

In *How to Build a Billion-Dollar Business*, Radek Sali, entrepreneur and former Swisse CEO, unveils the tumultuous yet triumphant saga behind Swisse Wellness. Inside, Sali tells how he took Swisse, a company valued at \$15 million with around 30 employees, to become a colossal \$2.1 billion empire with over 1000 employees. He openly shares the highs and lows of his incredible journey, from teetering on personal bankruptcy, to engaging the world's top celebrities as ambassadors. Discover how he steered Swisse from the brink of collapse and spearheaded the sale of Swisse to the Hong Kong-based Biostime, to become one of Australia's largest ever private business transactions.

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RADEK SALI is a serial entrepreneur in the health and wellness sector and one of Australia's most successful business people. He is also a founder and director of Light Warrior, a leading player in the impact fund sector.

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