

Pivot Perfect

A Thought Leadership Q&A Series by The Brownstone Group

Robert Hanson: Consumer-Focused Agility & Lateral Moves to Vertical Ascension

Robert Hanson, EVP-President of the Wine & Spirits Division at Constellation Brands, has led businesses in a variety of industries, attributing his success to innate curiosity, a diversity of experiences and mentors, and a commitment to making an impact. As a consumer and brand enthusiast, he previously served for many years in an array of roles at Levi Strauss & Co. before taking on CEO roles at American Eagle Outfitters and John Hardy, as well as Board positions at Urban Outfitters, John Hardy, Canopy Growth Corporation, and Constellation Brands.

The Brownstone Group's Tim Boerkoel sat down (via Zoom, of course) with Robert to discuss how he has been able to traverse industries, learn new categories, and leverage his obsessions for brands, products and people.



Timothy Boerkoel (TB): What did you want to be when you were growing up? When did you first realize you had an interest in marketing and then that you wanted to run a business?

Robert Hanson (RH): I wanted to be an airline pilot! I had a global curiosity and wanted to expand my horizons and see the world. I studied economics and English literature in college. Upon graduation, the roles I was being offered didn't appeal to me, so I took a step back and started a long-term consulting role with The MAC Group. The role was fortuitous because I was exposed, through an antitrust litigation case, to brand and retail management simultaneously. This work peaked my curiosity to consider brand management and retail

opportunities; so I applied and was accepted to the management development programs at Macy's as well as at Foote, Cone & Belding, ultimately choosing the FCB role. And the rest took its course!

TB: How and why did you make the shift from agency to brand-side?

RH: Levi's was my primary client at FCB. I observed that the business was becoming increasingly consumer driven, with a balance between commerce and innovation. The shift from the era of manufacturing in the 1950s, to the era of the retailer in the 1970s, was making way for the final and permanent shift to the era of the consumer in the 1990s. This structural shift of power to the consumer

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resulted in brands leveraging consumer insights and analytics to increase speed, agility and innovation. The only way to be at the center of the action was to own the brand, the consumer relationship and the evolving route to the consumer market. At that point, I knew I could have the broadest impact by being on the brand-side. So, I made the leap into Levi's, thinking I'd be there for a couple of years and then go to graduate school. I found a great opportunity to affect change, learn and grow. So, what I intended to be a few years turned into a 23-year career at Levi's.

TB: And then you shifted from being a marketer to a general manager – was this difficult at the time and how did you successfully pivot?

RH: Many people, particularly in underrepresented groups, believe they must have the perfect set of skills and experiences to make the change from one function to general management, or from one category to a new one. But it's truly about performance, a commitment to consistent career self-development, curiosity, agility and innovation.

I had an early mentor at Levi's who guided me to move laterally in addition to vertically. The lateral moves are what empowered me to achieve vertical ascension; shifting cross-functionally was most important. Ultimately, I was offered the role of President of Levi's Europe, shifting from marketing to brand and general management. While I did not own all commercial functions in this original move, I led brand management including design, merchandising, marketing and retail.

The lateral moves allowed me to experience a broader group of stakeholders and learn their skillsets and gain from their experiences and perspectives. It helped me recognize the full suite of skills and experiences needed to be an effective general manager – strategy, operations, finance, consumer-driven brand and product management,

the formation of a high performance culture and the development of talent and teams. A GM is essentially the Chief Strategist, Chief Operating Officer, Chief Financial Officer, Chief Brand Officer and Chief Culture and People Officer. It is important to evolve from your area of primary functional expertise and elevate up to what's required to lead a fully cross-functional team. You don't need to enter a GM role having proven yourself in all areas, you need to have proven your ability to lead high performance cross-functional teams to win and create value.

TB: Industry-wise, your career has covered apparel, accessories, luxury jewelry, cannabis, and wine and spirits for global brands. Was this part of a master plan?

RH: I was actually committed to becoming an opera singer before deciding to pursue a career in business. While I never intended for a career in business, I found it was the right context for me that aligned to my passions to create opportunity, build value and affect positive change in the world. Our passions have to drive what we do every day; if we show up with a commitment to what matters to us, we have a much higher likelihood of success. I have found a passion in leading people, driven by courage, integrity, authenticity, creativity and empathy, to deliver a great result; results that have a strong economic impact on a global, local or individual level, and also affect positive change in our society.

The more senior one gets, we have the opportunity to create values-based, high-performance cultures that provide opportunity for people to thrive and influence; this is the highest reward of a career in business. This perspective, mentored in me early in my career at Levi's, provides the motivation to be a source of economic opportunity, but also a force for positive change in people and in society.

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TB: When I describe you to people, I often say that anyone who meets you at a cocktail party might think you work in auto, fashion, tech... any number of industries.

RH: Thanks Tim! I do have an interest in many categories and a passion for all of the categories and businesses I've been blessed to lead. I am curious and competitive, so for me it ultimately comes down to consumer obsession, great brands and products and strong insights and analytics, all focused on engaging consumers and bringing something to market better than our competitors. Whether it's jeans and t-shirts, luxury jewelry, beverage alcohol or cannabis and CBD, you must have the curiosity and humility to learn the fundamentals of each category, fully understand how to deliver against consumers' needs and desires, and execute with creativity, agility and speed.

TB: What advice would you give to those looking to pivot in terms of function or sector?

RH: Leaders who listen, learn and then lead, can make multiple functional and category changes. By being consumer-obsessed, having a passion for brands and products, matched with curiosity, agility and an innovative mindset, you can craft your own course across categories, businesses, brands and opportunities. Particularly now, the disruption and transformation in business driven by digital consumer engagement and digital commerce, which is accelerating given the impact of COVID-19 in changing consumer behavior, provides an opportunity for leaders to reimagine their careers and bring new and innovative perspectives to industries that are being transformed by this current challenging context. Even when you come up against biases that suggest you can't be successful in a category without growing up in it, rely on your performance track record, consumer empathy, curiosity, agility and proven ability to innovate.

As I said before, being willing to make lateral moves to expand your functional knowledge makes a big difference. Seek profit and not-for-profit board positions outside of your current category in order to learn from others' experiences and mentorship. Also, don't get hung up on titles. I was an EVP & President at Levi's, became a CEO of a publicly traded multibillion-dollar company, and then a CEO of a small PE backed brand. Now I am once again an EVP & President of CBI Wine & Spirits leading an incredibly challenging, interesting and transforming multibillion-dollar business in a completely new category operationally for me.

Each opportunity provides a unique and challenging opportunity to learn, grow, lead and have an impact. For example, my retail and luxury experience is being leveraged into beverage alcohol right now. Beverage alcohol lags other consumer categories in digital consumer engagement and digital commerce; so we have built a plan to lead in these areas which could have significant growth impact on the company. We recently acquired the DTC wine brand Empathy Wines, built by Gary Vaynerchuk and his partners. Bill Newlands and the Executive Team at CBI agreed that we should acquire DTC capabilities to quarter-life our digital transformation. My experience in retail combined with my 6+ year relationship with Gary, through whom I have learned a great deal, has enabled me to be in the position to make this type of transformative M&A recommendation in a category and company new to me.

TB: On that note, who are the mentors who have influenced you in your career, and any other leaders you admire?

RH: Many people at Levi's supported my development, including those who encouraged lateral moves, the Haas family, Phil Marineau, John Anderson, Tom Fano, Anne Stuhlreyer, Julie Palley

and Board Members Peter Georgescu and Vanessa Castagna. I learned founder and entrepreneurial passion from John and Cynthia Hardy, the founders of John Hardy, as well as the company's private equity partners at L Catterton, including Co-Founder Michael Chu. Most recently, I've been a student of the Sands family, the CBI Board, Constellation's Group CEO Bill Newlands, and my current colleagues. I am blessed to have had many mentors, including apparel/retail industry leaders like Mindy Grossman, who has made category shifts herself and is now transforming WW, and of course my friend and colleague Gary Vaynerchuk.

Most executives get an equal amount of joy in creating the conditions for others to excel as they do in delivering results. Often, leaders earlier in their careers don't ask for the help for fear of hearing no; go for it and don't be fearful of hearing no! A great example in my experience is with Ursula Burns, former CEO of Xerox and a Director at VEON, Diageo and Uber. I cold called her when she was CEO

of Xerox, explained why I wanted to speak, and she agreed to a call. It was just one phone call, but an incredibly important moment for me, not only for her insights, but equally because she set a strong example for me to follow.

Senior executive roles are incredibly demanding; too few seek coaching and feedback as a matter of course; I encourage it. To this point, I must acknowledge three coaches along my journey, the amazing Else Ducker, the formidable Josh Rubenstein, and the late Dino Biris, whose insightful, empathetic and courageous coaching and feedback have significantly aided my development, as a leader and a person. Also, maintain the humility required to learn from those you lead; especially today, earlier career associates are much closer to the cultural context informing the opportunities ahead. And finally, always align your mission, values and passion with the organizations you helm; in doing so, you will affect positive change in the world through your leadership in business.

About The Brownstone Group

The Brownstone Group was launched in 2015 with a mission to offer the most effective executive search, strategic consulting and leadership advisory services. We introduce exceptional talent to brands and their leaders, transforming businesses and careers. Founder Tim Boerkoel possesses more than 25 years of retail, consumer, hospitality and luxury experience, advising and recruiting for startups and global corporations alike in their searches for CEOs, Presidents, Board Members and C-Suite talent. Brownstone, along with its global network of affiliate partners, operates as a true partner to clients ensuring swift yet long-lasting results.

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