Juan Carlos Gonzalez

4e México

“ I saw an opportunity to introduce Mexican households to the latest personal care trends. ”

COUNTRY	Mexico
INDUSTRY	Consumer
YEAR SELECTED	2012
PARTNER	Jorge Gonzalez Olvera
WEBSITE	www.4emexico.com

COMPANY SNAPSHOT

4E seeks to become the leading manufacturer of household, beauty, and pet care products in Latin America. Since founding 4e in 2006, Jorge and Juan Carlos González have cleaned up in the Mexican liquid soap and gel market. By manufacturing these products for a fraction of the cost incurred by multinational competitors, 4e transformed what was a niche luxury good into a fixture of Mexican households. In 2011, 4e brands accounted for an overwhelming percentage of all liquid soap and antibacterial gels carried in Mexico's supermarkets, and it was the primary supplier of these products for Wal-Mart Mexico. Named for the 4 energetic members of the González family, 4e is still a family owned and operated company.

The Gonzalez brothers were born innovators. As a sales director at a Mexican bottling company, their father worked closely with product managers at large F&B companies and was always encouraging his boys to invent new products. While attending the Monterrey Institute of Technology, the brothers started manufacturing coconut cream, a staple of tropical drinks, with two friends. The cream, which started as a big hit with friends, caught the attention of supermarket store buyers and became a success.

After graduating with degrees in Mechanical and Chemical Engineering, respectively, Jorge and Juan Carlos partnered with their father to start a paper bag production company. In 2004, they sold their stakes in both companies and headed to Germany where Juan Carlos enrolled in the ESB Business School and Jorge studied German. Upon returning to Mexico, on the advice of their father, they decided to try their hand at manufacturing gel alcohol fuel. They leased a small warehouse in their hometown, cobbled together the necessary equipment, and began making gel from a recipe they found on the internet.

The entrepreneurs soon realized they were in the wrong line of gel. On a trip to the United States, Jorge noticed the popularity of gel hand sanitizer and wondered about its mass market potential in Mexico, where water scarcity and sanitation were problems. Back in the lab, the brothers modified their gel formula and, in late 2006, became Waldo's first-ever gel sanitizer supplier. Soon, 4e started experimenting with liquid soaps, which require a similar manufacturing process as antibacterial gel. At the time, many supermarkets sold Dial or Palmolive liquid soap as a high-end alternative to bar soap. 4e had to convince supermarkets to offer a lower-priced option as well. In June 2007, the pitch paid off. Wal-Mart, the #1 supermarket chain in Mexico, agreed to a test run of 4e's liquid soap, on the condition that 4e provide its own temporary display space. The test order sold out on the first day and within months every Wal-Mart in the country carried 4e's Blumen soap, which cost much less per liter than Wal-Mart's other liquid soaps. At this point, 4e moved to a new facility and invested in state of the art manufacturing equipment. With the outbreak of the H1N1 virus in 2009, sales grew dramatically and 4e quickly built up one of the top manufacturing facilities in Mexico.

In addition to liquid soaps and antibacterial gels, 4e recently expanded to hair products, pet care products and labels/stickers.