

2018
COUNSELOR
AWARDS

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DEBBIE ABERGEL



Photograph by Shlomo Cohen

Sharon Eyal, CEO of
Counselor Top 40
supplier ETS Express.

With an unflinching focus, unwavering integrity and more than his fair share of unrepentant audaciousness, the CEO of ETS Express spent the good part of this year growing his business, winning awards and showing the rest of the industry what it's like when you put your money where your mouth is.

By Michele Bell

PERSON OF THE YEAR SHARON EYAL

IN A YEAR THAT FOUND his business dominating the drinkware categories at Counselor's Distributor Choice Awards in January, being named the number-one large company on Counselor's Best Places to Work list as voted on by his 500+ employees in February and, oh yes, crushing the retail company S'well in a massive trademark infringement lawsuit in March – with a unanimous jury win, no less – it's fair to say that Sharon Eyal has more than earned the right to be named the 2018 Counselor Person of the Year. And wowza, is he one hell of a choice.

With swagger and sass for days, no doubt born of the fact that he's an Israeli to his core, trust us when we say that Eyal has never met a challenge he didn't relish. With him, what you see is about as genuine and authentic as it comes, with his ubiquitous phosphorescent-white Stan Smith Adidas sneakers and a Cali street style that prompted one competitor to refer to him this way: "Sharon's just cool – like the Dr. Dre of the industry"; what you get is an intellect so robust and a mouth so formidable that being with him – when he's firing on all cylinders – is like the inside of a Dyson. With him at the helm, the company has amassed nearly 50 patents and trademarks, is the market leader in the drinkware category, sets the standard for customer service and production capabilities and has had a five-year overall growth rate of 97% as ETS encroaches on \$100 million in annual sales. And now we invite you to consider this: Sharon Eyal never graduated high school.

Learning From the Ground Up

Eyal emigrated to the U.S. when he was 9 and his sister, Taly – ETS's CFO – was 11. By his own admission he was shy at first, because he only spoke Hebrew and wasn't yet fluent in English. For those who know him, the thought of Sharon Eyal as an introvert is, well, jaw-dropping. His dad, Ely, founded ETS (the initials refer to their names: Ely, Taly and Sharon) in 1985, and Sharon began working at the company part-time when he was 16, deciding then to leave school at 17 and get his GED. He started full-time at the company at 18, doing everything from washing mugs and unpacking shipments to loading and unloading trucks, driving a forklift and running printing equipment. "I have to give it to my dad," Eyal says. "He didn't want me relying on anyone, and always believed that if I was going to run the company, I needed to work in every role, not just sit in an office. I really commend him for the business values and ethics he gave Taly and me."

By 1994, he was in his early 20s and running the company, working 20-hour days and showing early on a passion for his work that would help propel the company's sales growth and reputation for doing whatever it takes for its clients. "When I go on sales calls with the team, I'm not nearly as interested in what we've done right as I am in what we could do better – that's where we learn," Eyal says.

Mae Strehlow, the category manager for drinkware at 4imprint (asi/197045), has been working with Eyal for the past 10 years, since the Top 40 distributor added ETS as a drinkware supplier. "In that category, ETS is a leader for design, imprints and customer service due in large part to Sharon's leadership," she says. "He's developed one of the best teams in the industry, and he's become like family to me."

Taly Eyal, who, like Sharon, has never worked anywhere but ETS, has a unique view on what makes him tick. "When he was younger and first starting out, he was even more of a handful – if you can believe that," she says, laughing. "He definitely got the energy gene in the family." Because the Eyals own ETS outright, they're not beholden to a holding company or board to dictate decisions or strategy, which, as Taly says, affords them great freedom. "We have unconditional trust between us and Sharon is always thinking outside the box and thinking big. He has a very specific vision for the company and he's always considering new processes, new techniques ... nothing is impossible and if it seems that way, he'll figure out a way around it. His passion, without question, is the company and the people who work here."

"Ride or Die"

To understand Eyal, you have to look at the way he interacts with his team, who are bound by a strong *esprit de corps* of having gone through so much together, and for whom, he's fond of saying, he has a "ride or die" mentality. And they return the sentiment, as evidenced by the overwhelming votes they cast to put ETS on this year's Counselor Best Places to Work list. He's also single-minded when it comes to steering the direction of the company.

Not merely content to let others create his product line, Eyal has been known to show up at “the shop,” as he calls ETS, and present the company’s lead product designer with renderings of new drinkware iterations on the back of cocktail napkins. He’s a classic iconoclast with two gears – neutral and fifth – and when he goes all in, he empties the tank. Take our word for it: You would be wise not to underestimate him.

Which brings us to the two topics Eyal is most well-known for in the industry: His groundbreaking stance on clawing back rebates to distributors and his decision to fight the monumental trademark infringement lawsuit S’well slapped ETS with followed by shipments of Eyal’s drinkware being seized at the Port of Charleston to the tune of more than \$12 million. “Listen, a company can’t take an existing design, put their name on it and claim it’s theirs,” Eyal says. “I really felt vindicated that the jury ruled in ETS’s favor, and we were able to deliver a win for the industry.”

In his nomination of Eyal to be Person of the Year, Memo Kahan, owner of Top 40 distributor PromoShop (asi/300446), laid out a detailed and compelling case: “Let’s start with what Sharon’s done with ETS in that he’s revolutionized the entire drinkware category and challenged the status quo,” Kahan says emphatically. “He and his team’s ingenuity and printing processes are better than most and their focus on customers and products are above and beyond all companies – they’re amazing partners.” Again, unsurprisingly, it comes back to Eyal’s decision to hold firm against S’well. “Sharon fought the establishment in order to empower and defend our industry,” Kahan continues. “Yes, he fought a trademark issue, but what he really did was to make sure we’re not pushed around by bigger companies that think of us as small, spineless targets. The bottom line is that he really cares about our industry.”

Debbie Abergel, chief strategy officer for Top 40 distributor Jack Nadel International (asi/279600), concurs. “I have so much respect and adoration for Sharon; I mean, come on – he took on S’well,” she says, while ticking off words like “fearless,” “innovator,” “funny,” “ethical,” “committed” and “creative” when describing him. “He has grit – this is a man who leads his team into battle, and does not rest. At all the trade shows you see him in the booth, working it. He’s not a diva. He loves this business and it shows.”

The Upside of Being a Badass

Regarding distributor rebates, since he decided to reverse course from the standard supplier model of paying them, Eyal – in typical fashion – has hardly softened on the issue. “Rebates aren’t used the way they should be, as a quid pro quo to grow client accounts,” he maintains adamantly. “When distributors began expecting them almost as an entitlement is when I decided ETS couldn’t continue to do that because it’s not a driver for growth. Ultimately, my responsibility is to run a profitable, healthy business for my people and for the continued sustainability of the company. And most distributors, business owners themselves, understand that. The days of guaranteed rebates are done; it has to be a two-way street that’s beneficial for both suppliers and distributors. I’m always willing to have a conversation, but it has to be good for ETS and a win-win for both sides.”

Of course it’s one thing when clients for whom you provide concierge-level service speak well of you; it’s quite another when a competitor does, as happened when Magnet (asi/68507) CEO Bill Korowitz, Counselor’s Person of the Year in 2015 – and someone who’s also known for being a pistol without a silencer – nominated Eyal to be this year’s award winner. “First of all, you can tell he’s an engaging, yet no-nonsense kind of guy, and one who’s determined to run his business his own way, like it or not – which I respect,” Korowitz says.

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BILL KOROWITZ

“When he made the very ballsy decision to stop paying rebates, I loved it. Why? Because I hate rebates; all suppliers hate rebates. But Sharon is the one who had the *cojones* to do something about it. And his decision to not back down from the S’well suit didn’t surprise me in the least. That’s who he is – a fighter – and the industry’s better for it.”

Mitch Mounger, CEO of Top 40 company Sunrise Identity (asi/339206) and this year’s Distributor Entrepreneur of the Year, isn’t one to mince words, ever. “Sharon is a badass,” Mounger says. “He’s super-smart, hardworking and treats his team and his customers with respect. He stands up for what he believes in and won’t be bullied by buying groups. He’s a man of great integrity and I’m lucky to call him a friend. He’s the kind of guy who will go the extra mile for you and in turn, we’ll always go the extra mile for him.”

And for Eyal, who’s as amusingly anachronistic – ETS, for example, has an active and varied social media presence across all platforms; Eyal, proudly, is on nothing. “Why should I be?” he asks. “I just have no interest, and think it’s a waste of time...” – as he is self-aware, he acknowledges that there are some choices he could have handled differently.

“To be honest with you, when I was in my 20s I wasn’t mature enough to understand how precious time is ... I worked constantly – 18-20 hour days. I wish I had the knowledge I gained over the years when I was young ... I could have done a better job,” he says, pointing out that his next goal involves taking ETS from a \$100 million to \$150 million entity.

“It’s so much easier now than when I started because I have such great people behind me. Building the business, creating and designing product, working with my team – these are my passions and why I love coming in every day. Because here’s what I know: If you’re willing to put in the work, anyone can make it. And let me tell you, the best is yet to come.”

Go to asicentral.com/soi2018 to hear ASI’s Michele Bell interview Sharon Eyal about distributor rebates, how to attract and keep top talent, and his views on the industry’s next 3-5 years.