

Smells like the team spirit
Candle makers' philosophy: Have fun, make money

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WILKES-BARRE - The mixture of ingredients used to make Mia Bella candles is secret.

The formula for the success of Scent-Sations, Inc., the company behind the aromatic jars made on George Avenue in the city's Parsons section, is easier to discern. It's just not the usual one touted in how-to books and business school lecture halls.

"Have fun, make money," sums up Bob Scocozzo, a partner in the business that was formed in 2002 and is expected to reach \$15 million in sales this year. That attitude carries over to the company's relationship with its 6,000 distributors, who market the candles at home parties, craft shows and simply by taking samples along as they go about their daily business.

"We don't want people to be in stress," Scocozzo said.

Neither he nor partners Charles Umphred and Carmen Milazzo looked like harried entrepreneurs during a recent interview in Scocozzo's office. Dressed in jeans and with a Blackberry nowhere in sight, they resembled aging rock musicians more than operators of a business that is growing at nearly 50 percent a year. But their appearance only thinly camouflaged an underlying ambition to grow.

Partnerships can be a volatile mix, but this one is thriving in part because each brings unique talents and the maturity of having run a business before.

"We don't try to interfere with each other's areas," Umphred said.

Like their duties, the trio's styles contrast but don't clash. While Scocozzo races through the plant, eager to describe every detail, Milazzo seems almost disinterested, until the topic turns to production, his area of expertise. Umphred splits the difference, with flowing hair and an amiable nature.

While Carmen Milazzo and his wife Lynn oversee manufacturing, Scocozzo acts as CEO and Umphred manages relationships with distributors.

There was less time for fun and more long hours in the early days of the business.

"You don't get something like this running overnight," Carmen Milazzo said. "In the beginning we just worked to increase our inventory," and it took two years to find and develop a reliable workforce. Profits were plowed back into the business.

Now Umphred said a typical week is 35 to 40 hours and Scent-Sations is comfortably profitable. He credits technology, such as e-mail that eases communication with vendors and distributors, with helping cut the time demands.

Already doing \$10 million in annual sales, Scent-Sations could be a \$100 million company within a decade by commanding just 10 percent of sales by domestic manufacturers in the candle industry, Umphred, 54, believes.

The beginning

This local powerhouse got its start not as someone's MBA thesis or even on the back of an envelope. Instead it began when Scocozzo, 57, helped put together a fundraiser selling scented candles for his son's youth basketball team. When the Milazzos delivered the candles, Carmen mentioned that he had

developed a new version made with alternative materials that produce less soot and toxins than paraffin, the main ingredient in most candles.

Milazzo, 57, knew that Scocozzo had been a direct marketer and asked for advice on how best to sell the new candles. Scocozzo was so excited at the potential that he and Umphred, already business partners, signed Milazzo to an exclusive agreement that led to an equal three-way partnership.

"I realized nobody was doing anything" with non-paraffin candles, Scocozzo said.

The Mia Bella name was borrowed from Scocozzo's daughter.

At the time Scocozzo and Umphred were selling skin care and nutritional products through a multi-level marketing network of distributors. They got into marketing in 1988 after Umphred left a 20-year career as a printer at the Sunday Independent.

Scocozzo at the time was running the Sarno & Son formal wear franchise store on North Main Street. By 1990 he sold the franchise back and both devoted full time to their marketing efforts.

The contacts they had made over the years helped them get the new venture off the ground.

"We just called people we knew in marketing," Scocozzo said.

Now Scent-Sations takes up all their time, Umphred said, although they still receive some residual income from sales networks they established in the past.

Growing fast

Carmen and Lynn Milazzo started making candles at their home in 1995, selling them at CarLyn's Craft Gallery, their store in Kingston. But worried about concerns being raised about toxic soot generated by paraffin candles, which are made from petroleum, Carmen began to work on a line made with other waxes.

At first he tried 100 percent soy, but it would not absorb enough fragrance to maintain the couple's reputation for producing exceptionally pungent candles, Lynn Milazzo, 47, said. Eventually Carmen came up with a formula that uses soy and vegetable based waxes.

The Milazzos continued to make candles by hand at their home, using nearly every room.

"My parlor was a warehouse," Carmen said. Wax was melted on the couple's kitchen stove and poured into canning jars.

Production first graduated from hand work to a \$25,000 machine, purchased on credit cards, that an operator could use to fill one jar at a time. The machine still is used to top off jars filled on a machine that can pump out eight jars or 16 votive-sized candles at a time.

Growing demand led to leasing production space first in Nanticoke, then in Forty Fort, as well as a warehouse in Wilkes-Barre. In September 2004, just two years after the company was formed, Scent-Sations moved into its present 28,000-square-foot facility on George Avenue, next to Schiel's Market.

"And we're outgrowing this building now," Scocozzo said, describing the need for more space within a year to handle demand for candles and allow the introduction of new products.

"We took baby steps because we didn't have big bucks behind us," he said.

Eventually he anticipates needing three distinct facilities - an office, a manufacturing plant and a shipping/warehouse building.

The product line already includes candles in several sizes and more than 90 fragrances, natural soaps, body wash, hand wash and even car fresheners. "We have a whole line of skin care ready to go in 2008," once there is room to produce it, Scocozzo said.

Candles first

For now candles are the mainstay of Scent-Sations' business, with more than five million sold. And while Scocozzo claims Mia Bella candles smell better than others, that quality comes at a price.

"It's one of the most difficult candles to make," Carmen Milazzo said. "Even with machinery it's not very production friendly. It's just the best."

Scocozzo says they're also the most expensive to manufacture, partly because they contain more fragrance than any other candle. "That's our claim to fame."

The biggest selling fragrance by far is sweet orange and chili pepper, which Umphred said was created in Europe as a soap scent. Scent-Sations asked to use it in a candle and it sold so well that it is now exclusively theirs.

"They have locked away the formula for us," Umphred said.

Scocozzo said other suppliers now court Scent-Sations because of its rapid growth, particularly as more candle companies move production out of the United States. For example, introducing a new candle - which Scent-Sations does each month - requires about a ton of fragrance, with the promise of continuing orders if it's a success.

Umphred said another key to Scent-Sations' rapid growth is its direct sales method. He anticipates 50,000 distributors will be selling Mia Bella products within a decade, and that the best of them will earn \$1 million annually. Already the top distributors are making \$200,000 and, he says, probably not working more than a normal week.

Distributor Sandy Saimond, Allentown, finds both the product and the financial opportunity attractive. She first bought a Mia Bella candle from another distributor about four years ago.

"I was hooked from the moment I started burning it," she said, because of the long-lasting fragrance. So she contacted Scocozzo and became one of the first distributors.

Saimond, 46, plans to retire from her job as a project coordinator for clinical medical trials by age 50 and live on the proceeds from Mia Bella product sales.

"It is an incredibly easy and affordable business to start," she said.