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Karen Flavelle

Purdys Chocolatier

Purdys has long been a fixture in households in western Canada, and its history is as rich and varied as its chocolate. Flavelle is the second-generation owner of Purdys Chocolatier; her father Charles Flavelle bought the business in 1963 when she was seven years old. She joined the company in 1994 as Executive Vice President and, three years later, she became its president. In 1997 she bought Purdys from her father, whom she considers her mentor and one of her biggest supporters.

"I was brought up with the importance of quality and hard work when it came to the business. This was crucial, and I think it's at the heart of any good family business."

Karen Flavelle, CEO,
Purdys Chocolatier

When it comes to buying quality chocolates in Canada's most westerly city, Vancouver, one brand stands out – a family business called Purdys that's been supplying chocolate to the citizens of British Columbia since 1907.

These days, the maker of arguably Canada's most famous chocolate, the hazelnut "hedgehog", is owned by Karen Flavelle,



Only the finest ingredients in Purdys' chocolates

one of the country's best known businesswomen. She's also the winner of the EY 2013 Family Business Award of Excellence in the Pacific region. Flavelle, who took over the management of the business from her father in 1997, epitomizes a leader with a strong sense of the role of family in business. "I was brought up with the importance of quality and hard work when it came to the business," says Flavelle. "This was crucial, and I think it's at the heart of any good family business."

The business she runs is nearing 70 shops spread out over British Columbia, Alberta and Ontario, and sells mouthwatering chocolates such as the Himalayan Pink Salt Caramel and the Sweet Georgia Brown. Purdys employs around 800 staff. And like so many products and services made by family businesses, the brand is at the heart of Purdys' success. That brand is often passed down in the affections of generations of British Columbians.

"We are a part of the celebrations people have in their lives. We have heard our customers say things like 'Christmas wouldn't be Christmas without Purdys'," says Flavelle. "They grew up with Purdys, and now they are passing those traditions on to their families."

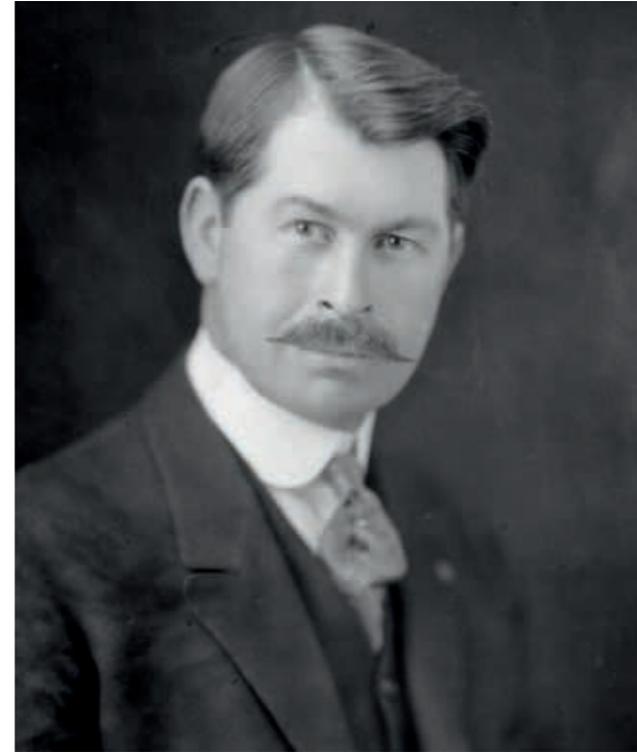
The Flavelle family became involved in 1963

Purdys may have instilled itself in the sweet-tooth affections of generations of Canadians since the first shop was opened more than 100 years ago, but it hasn't been an easy path to success. Started by Richard Purdy when he opened a store in Vancouver's fashionable Robson Street, the chocolatier actually went into receivership in the early 1920s. Luckily for Purdys, an accountant called Hugh Forrester, who was brought in by the creditors to restructure the business, ended up taking it over himself. Forrester managed it with his son up until the early 1960s when, divided over how to run the business, the Forrester family decided to sell Purdys.

That's when the Flavelle family became involved. Karen's father, Charles, and his business partner, Eric Wilson, took the business over in 1963. They went on to expand the business into the neighboring Alberta province, increasing the product range and opening a new, state-of-the-art factory in Vancouver.

She considers her father her mentor and biggest supporter

"The fact that three different families have owned Purdys is testament to the longevity of the brand," says Flavelle. "But it's also due to the vision and hard work of my father." But Charles hadn't encouraged the next generation of Flavells to come into the business, recalls his daughter. "He told us he did not



Richard Purdy founded the business in 1907



Advertisement of Purdys from the 1960s



Purdys sells mouthwatering chocolates such as the Himalayan Pink Salt Caramel



Karen with her father and mentor Charles Flavelle

want to parachute offspring into management over long-term employees," she says. "He said he was putting all his money into the business, which I interpreted as he would have to sell Purdys in order to have retirement income. So I went off and followed my own career in marketing."

After gaining a degree in commerce and working for a number of food and marketing companies for 13 years, Karen started at

Purdys in 1994. Three years later, she became President and, soon after, bought the business from her father. Flavelle is quick to acknowledge the big influence her father had on her and still does. "He's been a mentor and my biggest supporter." She adds that such stewardship is a good ingredient to the success of family businesses.

A family employment guideline document was drawn

Flavelle's experience has led her to fully appreciate the importance of family members gaining outside experience. A family employment guideline document was drawn up a few years ago, which requires the next generation to work outside of Purdys for at least 10 years before joining the business. Flavelle's children are all in their early 20s – and she hopes that at least one will join the business after gaining the vital outside experience.

"It's very important to ensure there is no sense of entitlement for the next generation," she says. "That's partly the thinking behind the family employment guidelines."

Flavelle also wants to make sure that doing the 10 years outside and then joining the business is not an automatic route to the top job. She emphasized that point in 2012 when she stepped aside from the daily running of the business and appointed non-family manager Peter Higgins to take over from her as President. Flavelle is currently CEO and plays a more strategic role in the management of the business.

"Inevitably, you're going to need to bring in top managers from outside of the family to fuel entrepreneurship," she says. "You cannot rely on the next generation to bring those skills in – they may, but they may not."

Good business and sustainability

Human capital is a big part of Purdys brand, says Flavelle. The chocolatier has consistently won awards as one of the top 50 places to work in Canada.

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Karen Flavelle, CEO, Purdys Chocolatier



Karen with chocolatiers by the cream beater

Flavelle's good business ethics have also been instructive in the supply chain, namely ensuring that the chocolatier sources its cocoa from sustainable farms in Africa. Purdys has also provided micro-loans to cocoa farmers in Africa to help them pay for their children's education.

And what about the future? Flavelle sees expansion into the US, but is under no illusion about the huge competition in the food industry there. Whether success is born from growing the business in Purdys big southern neighbor or not, the ethos of the family business will continue to be at the center of the chocolatier, says Flavelle. "We will continue to talk about making memories through our chocolates and the privilege we have in being part of people's and families' lives in times of celebration, of sadness, of seasonal tradition," she says. "That is what is most exciting to us."

Karen Flavelle

Chief Executive Owner

Company name:	Purdys Chocolatier
Generation(s):	2nd
Founded:	1907 in Vancouver, Canada
Industry:	Sweets
Employees (2013):	800
Stores in Canada (2013):	64