



# THE MAGIC TOUCH

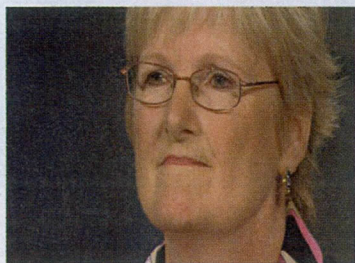
Business changed for three entrepreneurs who appeared in the Den last season. But not in the way they expected **BY RICK SPENCE**

In cultures around the world, dragons are considered fearsome beasts with mysterious powers. Some fly and breathe fire. Others can talk—and they're usually wiser than humans.

Whether or not they're smarter than the rest of us, the millionaire Canadian stars of Dragons' Den have a magic all their own. After they

hear an entrepreneur's pitch, they seem to have the power to make things happen—whether they invest in a company or not.

PROFIT caught up with at three entrepreneurs who appeared on the Den last season to find out what has happened to them since. As you'll see, Dragon magic takes many forms.



**NOW YOU SEE IT,  
NOW YOU DON'T**

## Janet Cockburn

Janac Sportswear, Burlington, Ont.  
Product: sports bras and prostheses  
for breast-cancer survivors

Janet Cockburn couldn't believe her ears. Under the glare of the studio lights, the Burlington, Ont. bookkeeper had just asked the Dragons to invest \$50,000 for 20% of her company, Janac Sportswear. Given Cockburn's business—producing sports bras and prostheses for breast-cancer survivors—the five investors had been polite. But one by one, they all turned her down. The time had come for Cockburn to walk away empty-handed.

But Cockburn stood still, smiling, facing down her Dragons. An instinct told her that this wasn't the way this adventure was supposed to end. For five long seconds, maybe 10, she waited.



Finally, Laurence Lewin of La Senza, a national retailer of intimate apparel, broke the silence. "I think we should help in some way." He offered to invest \$25,000 in Janac if another Dragon would also put up \$25,000. After a pause, the sole female Dragon, Arlene Dickinson of Calgary-based Venture Communications, took up the challenge.

Cockburn was thrilled. But as happens so often in business, the final negotiations took a turn she didn't anticipate. Still, her appearance on Dragons'

Den has offered other happy endings.

Now in her 50s, Cockburn was diagnosed with breast cancer in 1995. After a mastectomy saved her life, she slowly returned to more active pursuits, including joining a dragon-boat rowing team composed of breast-cancer survivors. Her teammates had one other thing in common: a hard time finding a sports bra that would fit them properly following their breast surgeries.

Cockburn, an amateur sewer with business knowledge, had been per-



sueded by her rowing mates to create a sports bra for cancer survivors—one that would “even out” the wearer’s form after a mastectomy and cloak any scars. She took up the challenge, and by 2003 she had found a manufacturer—Hamilton-based Niko Apparel Systems—to produce 12 prototypes. The entire rowing team met in her home to try out the bras and offer feedback, and Cockburn found herself in manufacturing.

Like most entrepreneurs, however, Cockburn was undercapitalized. Selling through individual boutiques and her own website, she managed first-year sales of \$8,800 in 2004 and \$25,000 by 2006. Meantime, she continued innovating, coming up with a superior prosthesis to take the form of a woman’s missing breast. Filled with a type of bean used for stuffed animals, the “Been-a-Boob” is lighter, more comfortable and much cheaper (at \$35 to \$65) than rival silicone prostheses.

Cockburn auditioned for *Dragons’ Den*, hoping to raise \$50,000 to boost her marketing efforts and penetrate the U.S. market. She particularly hoped to attract Lewin, for La Senza’s retail clout, and Dickinson, for her marketing know-how. And with the two *Dragons* signing on, Cockburn left the CBC studio in May 2007 feeling happy.

But even when the show aired six months later, her *Dragons* still hadn’t called to close the deal. Finally, Dickinson’s lawyer requested Janac’s income statements to begin the due-diligence process. When the final negotiations

began, Cockburn found her deal had vanished. Instead of investing \$50,000 in return for equity in the Janac, the two *Dragons* proposed a \$50,000 loan—interest-free, and repayable only when she hit certain income targets. And \$12,500 of the loan would take the form of 100 hours of free marketing services from Dickinson’s firm.

Cockburn considered walking away, but decided that Dickinson’s help was worth paying for. The deal finally closed in June—more than a year after the taping. Venture Communications staff immediately embarked upon a rebranding proposal to sharpen up Janac’s image. Although Cockburn was disappointed by the disappearing deal, she learned an important lesson: everything is negotiable, always.

Cockburn’s appearance on *Dragons’ Den* created a wave of publicity for Janac. And U.K. sales have taken off since Nicola Jane, a specialty retailer catering to breast-cancer survivors, started carrying the Been-a-Boob last year. A trial order for 300 sold out right away, prompting two follow-up orders totaling 1,400 more. At press time, Cockburn had been warned to prepare for a 1,000-unit order—her biggest sale ever.

“If I can sell this much in the U.K.,” she says, “then the possibilities are endless.” So, was her trip to the Den worth it? Despite her disappointments, she says it created unbeatable momentum. “As soon as I say I was on *Dragons’ Den*, people show more interest,” she says. “I’m going to milk it for all it’s worth.”