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# Forsaking Investment Banking to Turn Around a Family Business

By IAN MOUNT

Ten years ago, Jeffrey Braverman was living the dream of many business school graduates. With a freshly minted bachelor's degree in economics, he landed a job in 2002 at the [Blackstone Group](#), a Wall Street firm specializing in [private equity](#) and investment banking.

Less than a year later, however, Mr. Braverman stepped away from Wall Street and returned to his family's New Jersey nut business, the [Newark Nut Company](#). It struck some as an odd choice: the family-owned company, which had been started by Mr. Braverman's grandfather, Sol Braverman (known as Poppy), and had once employed 30 people, was down to two employees and two family members, Mr. Braverman's father and his uncle.

Located in an indoor mall in a desolate part of Newark, the nut shop's retail sales were fading and its wholesale business was, at best, stagnant. But Mr. Braverman harbored entrepreneurial ambitions.

At the beginning, he agreed to work with his father and uncle for a salary tied directly to how much new business he attracted. He focused on Internet sales and before long, they began to dwarf the existing business.

Now based in Cranford, N.J., the company has grown to more than 80 employees with more than \$20 million in revenue, 95 percent of it online. The following is a condensed version of a recent conversation.

**Q.** *Who leaves investment banking to work at a struggling family nut company?*

**A.** Only someone nuts, right? My dad and my uncle both thought I was crazy. I was making more than they were at the time.

**Q.** *Then why?*

**A.** Have you ever read the book “Monkey Business”? It’s a fairly accurate profile of what it’s like to be in investment banking, at least at a junior level. You know, there’s this economic concept called deadweight loss, and I think a lot of investment banking is like that: it doesn’t really add anything to the world, to the economy. I just wanted to do more.

**Q.** *I assume your father and uncle made you take a pay cut.*

**A.** The one thing I did was, I didn’t want to take anything away from them. I structured it so that my compensation was 100 percent based on incremental profit improvement. So from their perspective, there wasn’t very much risk. I also got a small piece of the business. But at the time the business was worth nothing, book value. No one would have bought it.

**Q.** *Did you have any experience in Internet sales?*

**A.** In 1999, I was a freshman in college and I started our Web site, [Nutsonline.com](http://Nutsonline.com). I spent my second semester of freshman year working on that thing four or five hours a day. It kind of just trickled along. In 1999, very few people were buying from Amazon, so they certainly weren’t going to buy from Nutsonline. In 2000, I remember I set a goal: I wanted to do 10 orders a day.

**Q.** *Did your father and uncle like your ideas?*

**A.** I started to do things with the business that they couldn’t do and that they didn’t understand. Around July 2003, I told them it’s all about the Web. We’re going to sell online and do a much better job. We got very aggressive with advertising online. My budget for advertising per day had been \$3 and I raised it to like \$100. That’s nothing now, but then it was huge.

We flipped the switch on the site, with the new marketing campaign, and let’s just say we suddenly started doing five times the orders in one day. My dad’s response was, “Shut it off, we can’t handle it!”

I also realized that while we were working Saturdays, we were in Newark and we weren’t doing

much business on Saturdays. And I said, “Guys, what are we making? One hundred dollars for our entire family?”

So I told them we’re going to close on Saturday. And they said, “No, no, no. Let’s do half-days. We can’t close. Poppy would never let us do this.” My uncle told me he was so nervous he couldn’t sleep the entire week. But we ended up doing it. They came in Monday, and they both said, “This is the best decision we ever made.”

**Q.** *What other changes did you make?*

**A.** Investment banking taught me how not to run a business. People are only driven by one thing, money. People don’t talk the right way, and they’re not respectful. One of the first things I did was read all sorts of books on customer service, books like “How to Win Friends and Influence People” that dealt with how people want to be treated.

It’s interesting, when you think from a business perspective what a core competency is, you think, it’s cost, it’s first-mover advantage, it’s trademarks, it’s brands. Often people will say, “Customer service? Anybody can do it.” But the truth of the matter is, not everybody can. We decided early on that we were going to try to be really great. The concept was underpromise and overdeliver. We ship into the evenings, we ship on the weekends, various things to get packages to people ahead of expectations.

**Q.** *Did it work?*

**A.** When I started, annual revenue was about \$1.25 million and Internet sales were next to nothing. After that, the growth compounded at about 42 percent for four years, to over \$5 million in 2006.

**Q.** *And then it really took off in 2007 and 2008. What happened?*

**A.** It was one of these very serendipitous things. We had gotten a few suspicious-looking orders — one-pound bags of nuts going to CBS. There was a postapocalyptic show on CBS called “Jericho” and the network said it was canceled. During the show, this town Jericho was being attacked by a neighboring town and the leader of the neighboring town said, “Surrender.” And the leader of Jericho said, “Nuts.” So fans took this as their battle cry. They said, “Let’s go send nuts to CBS.” This thing went crazy. At first we shipped U.P.S.

Then we did a few stunts. One day, I showed up with my uncle in our delivery van and dropped off 1,000 pounds. Then we hired a trucker, and I went and we dropped off 10,000 pounds. We ended up sending 40,000 pounds to CBS.

**Q.** *That's a lot of nuts.*

**A.** Forty thousand pounds of peanuts in 50-pound bags, floor to ceiling, is a whole 48-foot tractor-trailer.

**Q.** *What happened to the show?*

**A.** We got a lot of coverage and CBS brought back the show. They flew me out to go to the fall lineup party. I met the actors, went to the set. But then it was on for another seven episodes or so and then they canceled it.

**Q.** *Sounds like it was better for you than for the show.*

**A.** Yeah. We ended up getting a ton of Internet traffic. When we were on KROC Los Angeles, we got like over a million visitors from that. We sold a lot of nuts to the "Jericho" fans too, but the majority didn't come back. But with The New York Times and CNN, and the funny press, like The National Enquirer, you get all these visible, authoritative sources online, and they're linking to you. It does a lot for your credibility in Google's eyes.

**Q.** *How big do you think your business would be if the "Jericho" thing hadn't happened?*

**A.** I would like to think we would have gotten to the same place by now. But I have no idea.