

## Salon-only products are showing up in chain stores, and salon owners lament

By James Shiffer,  
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Every year, Jill Swing signs a piece of paper when she buys beauty products for the shelves of her 15-year-old salon, Jill's on Jackson in Watertown, Minnesota. Swing promises that she won't succumb to "diversion," the practice of selling "salon-only" products to unauthorized retailers. But for the past five years, Swing has seen some of the same product lines she sells - [Sebastian](#), [Rusk](#), [American Crew](#), [Bain de Terre](#) - at drug stores and groceries and big retail outlets.

Now I typically avoid smearing fancy fluids on my graying and thinning locks. But I do cleanse my children's hair with salon-only stuff. The professionals who peddle these ointments of pulchritude say there's a reason for it - they actually know what's in them.

"We went to school, we're licensed," Swing said. "They're actually our products to sell to the customer. I can tell you which one to use... The stores aren't going to explain it."

Of course, it's also a moneymaker for beauty salons, which are often owner-run small businesses with tight margins. Twice, Swing has marched into retail stores, brandished the products at store employees and demanded to know their supplier. Once she was asked to leave.

The practice of diversion isn't illegal and has been around for years, but many in the industry have taken a stand against it. Paul Mitchell [calls diversion](#) the "ugly side of the beauty industry." Sebastian's [anti-diversion fact sheet](#) includes this ominous item, under the heading, "ARE YOU IN DANGER WHEN YOU BUY DIVERTED PRODUCTS?"

You may be. In most cases, the products on grocery and drugstore shelves are old. Many times it takes a year from the time the manufacturer ships the product to a legitimate salon until it shows up in an unauthorized retail outlet. Additionally, although unknown to the retailer, there have been times when the products has been tainted and/or counterfeited, causing damage to the scalp.

Ouch.

In August, [L'Oreal USA sued two Las Vegas businesses](#), accusing them of diverting Matrix-brand products intended for casino hotels to big retailers like Target and CVS in a nationwide [gray market](#).

Still, Swing suspects the problem wouldn't be so widespread if the manufacturers weren't quietly complicit. "They're making more money selling them there, than at our place."

"I've had customers come in, 'I got mine at Target, I got mine at Wal-Mart, I got mine at CVS,'" Swing told me. "That's where we're losing money."

"I know a lot of people in the hair business. It makes us sick when we see our product in there."

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