



# Indsights

A Window into the Indigenous Economy

Case Study

# Nuez Acres

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# Nuez Acres

# Meet Anthony



## Meet Anthony

Anthony Wingham is the founder and co-owner of Nuez Acres — a clean beauty product company that he runs with his wife. Nuez Acres produces seed-to-skin beauty products made from pecans — meaning that they control the manufacturing process from selecting the pecans used in their products to the packaging used for the final product. Anthony is Métis and operates his business from the unceded lands of the Katzie, Kwantlen, Matsqui, and Semiahmoo First Nations in Fort Langley, British Columbia.

Aside from being an entrepreneur, Anthony is a husband and father and is currently enrolled in the Indigenous Community Entrepreneurship Development and Action Recovery (I-CEDAR) course at the Gustavson School of Business at the University of Victoria. He has also studied Métis Business Management at the University of British Columbia and has taken courses through the Métis Nation of British Columbia, where he learned how to digitize his business.

# Launching Nuez Acres

## Launching Nuez Acres

As Anthony learned more about the health benefits of using nuts in day-to-day beauty products, he saw an opportunity to start a beauty company utilizing pecans. Most of the artificial ingredients that are found in today's beauty products can be derived from the pecan, including amino acids, minerals, various vitamins, and even plant sterols. Using artificial ingredients can be hard on the environment and relies heavily on the use of water. Upwards of 60 to 80% of beauty products contain water as a key ingredient. For Anthony, this was an opportunity to develop a set of products that are easily manufactured, sustainable, profitable, and help to heal the skin.

Anthony credits his wife's family as playing a crucial role in helping to launch Nuez Acres. His wife immigrated to the Vancouver area from Chihuahua, Mexico. Much of her family still resides in Chihuahua, where they own and operate the pecan farm from which Nuez Acres imports their pecans.

Pecan trees can be found across southern parts of the United States and northern Mexico. The United States is the largest producer of pecans, with Mexico following as the second largest producer internationally. Together, they account for over 90% of the pecans grown (Castillo et al., 2019). It is estimated that Mexico will surpass the United States as the world's largest pecan exporter in the coming years (Castillo et al., 2019).

Pecans are important to the Mexican economy in the northern regions of the country. Chihuahua, for example, grows approximately 65% of the pecans grown in Mexico (López-Díaz &



Herrera, n.d.), and upwards of 80% of these pecans are exported around the world (López-Díaz & Herrera, n.d.). The farming of pecans provides the local economy with industry and jobs and contributes to the overall economic growth of Mexico. It has also enabled pecan growers to develop key strategies to develop resource management techniques to ensure the viability of the industry for future generations. For Anthony and Nuez Acres, responsible farming and growth are crucial, and it is important for the overall sustainability of pecan farming within the state of Chihuahua.

Nuez Acres initially started small by importing small amounts of pecans to Canada. Nuez produced the oil needed to make their products and eventually scaled to larger amounts after perfecting their extraction process. Having the extraction process fully in place allowed Nuez Acres to focus on growth and selling the product. They began to sell their products at local farmers' markets, while Anthony used the skills he gained through his schooling to launch Nuez's website and social media channels. As a result, sales of their products have grown by 150% over the past year.

# About their Products



## About their Products

Nuez Acres offers a variety of environmentally friendly and water-free beauty products for the skin, hair, and body, all derived from pecans. Nuez Acres produces skin serums in the forms of oils and body balms, hair oils and serums, and various product bundles that are certified clean, vegan, and free from toxic chemicals.

They don't outsource any of the product-making steps, and in doing so, Nuez Acres ensures that their products continually meet the highest of standards.

## Sustainability

For Anthony and Nuez Acres, sustainability is at the heart of their business. He consciously makes business decisions with this in mind. They are proud of their efforts to use resources that are preventing further deforestation, limiting water consumption, and using materials that can be recycled, such as glass. They make a conscious effort to reduce as much waste as possible and have prided themselves on the work they have done:

“We have removed almost 350,000 millilitres of water from the beauty industry today and counting.”

Anthony points to his Métis/Indigenous heritage for inspiration on how to maximize the use of the pecan: “Just like with the Métis — and Indigenous Peoples across Canada, with the bison, when we hunted the bison — the hide, the brains, the bones, every part of that bison was used, and that's what we're trying to achieve with the pecan itself.”

## Branding

The branding behind Nuez Acres was developed with a few goals in mind: to showcase that they are female-led and Indigenous-owned, and to demonstrate that the company is welcoming and inclusive. It was important for Anthony to develop branding and marketing content that captured the essence of Nuez Acres to allow customers to feel like they are a part of something — they are part of the Nuez Acres family and the larger clean beauty market. In their marketing materials, they purposely use imagery that depicts families and businesspeople rather than images of users at a spa. This is an important decision to show that Nuez Acres is about authenticity and practicality — you don't need to book a spa day to take care of your skin and hair.

Anthony recognizes that when people hear about the company's story, there is a level of excitement from their customers that helps them to continue to grow their brand, and it is important to tap into this. The team at Nuez Acres is proactive on social media and engages with their customers through the reviews that are left on their website. Again, Anthony feels that it is necessary to ensure that their customers feel like they are part of the Nuez Acres family and a part of a waterless beauty brand that is making a difference.



# Industry Background

## Industry Background

The beauty market is one of the most profitable industries globally, amounting to USD 528.60 billion in value in 2022 (Statista, n.d.). However, there has been a gradual shift within the industry, with 56% of Canadians now carefully choosing their beauty products based on the quality of ingredients listed on labels (Petruzzi, 2022). Simple, nutrient-based ingredients are more popular than ever. As a result, leading companies have been pushed to adapt and market more natural cosmetic goods.

As retail stores were forced to close in response to COVID-19 restrictions in 2020, the manufacturing and distribution of beauty products were severely impacted. Retail sales initially dropped by 44%, pushing Canadian consumers to the online market, which is home to many small businesses that specialize in beauty and personal care (Statistics Canada, 2020). With the ability to purchase a variety of products at the click of a button, online beauty sales are expected to continue to grow. By the end of 2023, 34.6% of total cosmetic profits in Canada are expected to be made through online sales (Statista, 2022).

As social media has become more accessible over the years, consumers have turned to their favourite platforms for beauty recommendations. Clean and natural beauty has become a long-standing trend. This movement has continued to increase in popularity through the help of acclaimed celebrities and beauty companies who have shared natural alternatives to products in the name of “self-care” (Future Market Insights, n.d.). This awareness has helped to fill the knowledge gap of what consumers are looking for, creating greater demand for new and improved goods to be offered in the mainstream beauty market.



Over the years, the beauty industry in Canada has become strictly regulated, with products requiring more than 95% organic and natural ingredients to be labeled as “organic” (Government of Canada, 2017). For consumers who are growing sensitive to their overall health, these types of certifications are appealing. However, there continues to be concern over mass production from large-scale beauty brands. Small businesses are going the extra mile to shed light on buzzwords such as “natural” or “clean” by obtaining additional certifications for their natural products, such as “vegan and cruelty-free” and “paraben and sulfate-free” (Future Market Insights, n.d.; Nuez Acres, n.d.).

Many are also beginning to share the inner workings of their manufacturing and distribution processes to spread awareness to consumers. This is an incredible opportunity for growth and expansion for brands that are placing special care into utilizing ethically sourced, nutrient-dense ingredients. As a result, the Canadian natural cosmetics market is expected to grow at a compound annual growth rate (CAGR) of 6.47% between 2022 to 2027 (Mordor Intelligence, n.d.).

# Industry Background

## Trends in Sustainability

As consumer behaviour shifts, there has been a rising awareness of the environmental impact of the beauty industry. A different form of clean beauty labeling has begun to be marketed, known as “Seed to Skin” (Nuez Acres, n.d.). They emphasize the use of a hands-on approach when creating cosmetic products. Care is taken in each step of the process, from creating products to their distribution to consumers, while providing businesses with a greater sense of accountability for their customers.

Currently, the beauty industry is known to be one of the top contributors to water use and pollution, with a global annual consumption rate of 10.4 million tonnes of water (Biceika, 2022). That’s a lot of water! On average, water accounts for 46% of beauty formulas, despite water’s need for preservatives in products to mitigate bacterial concerns (Coronado Robles, 2016).

Although many consumers have been leaning toward natural beauty products, the number of Canadians willing to lower their use of water is below the global average in comparison to other countries (Biceika, 2022). However, waterless beauty has been recommended as a sustainable alternative, with products promoted as “eco-friendly” to align with people’s changing consumer behaviours (Future Market Insights, n.d.). As success within the cosmetic industry largely depends on product innovation, this has offered long-term opportunities for beauty companies who are looking to launch more products that can address water use and pollution, further reducing the beauty industry’s environmental footprint.

One of the natural beauty industry’s other notable trends over recent

years is the increased use of plants in products. Plants carry a rich source of active benefits for the skin, including antioxidants and fatty acids (Michalak et al., 2021). Larger companies typically mass source their plants, contributing to large consumption of water and the use of chemicals (Barbulova et al., 2014). In response, natural beauty companies are sourcing specific plant species strictly in areas that are native to the land it is meant to be grown on. This practice is greatly reducing negative environmental impacts and helps to support local communities as a result (Barbulova et al., 2014). A growing number of companies are also turning to expeller-pressed ingredients, which is a natural method for extracting oils from plants without any chemical intervention (Transparency Market Research, n.d.). This simple method can maintain the natural scents, colours, and nutrients of ingredients for beauty products (Transparency Market Research, n.d.).

## Competitive Landscape

The cosmetic industry is incredibly competitive, with large beauty companies continuing to be favoured as credible staples for everyday use. The Canadian beauty market is led by large corporations such as L’Oréal Canada, The Estée Lauder Companies, and Coty Inc. (Mordor Intelligence, n.d.). Companies such as these present their products at competitive prices, proving a challenge to smaller clean beauty brands making efforts to lead the industry in a sustainable direction with fewer resources available to them. However, with the increasing demand for natural beauty products, finding new opportunities may be difficult, but it is feasible. Consumers are looking for brands that make a positive impact not only on their bodies but also on the world around them (Future Market Insights, n.d.). With continually emerging trends online and within the beauty community, there are many ways to tap into that demand.



# Challenges



## Challenges

### Capital

For many new entrepreneurs, there are challenges that can impact one's ability to make that leap to running their own business, most notably, access to capital. For Anthony, this has been an ongoing challenge. His family's circumstances made it difficult to fund the business and get it off the ground. He credits attending a Métis business management program through the University of British Columbia with providing him the opportunity to present his business case to potential investors, some of whom were able to provide startup investments to help get Nuez Acres up and running. He also had the opportunity to pitch Nuez Acres to Startup Canada in Ottawa.

Anthony was recently a winner of CCAB's 2022 Indigenous Entrepreneurship Pitch Competition. The purpose of this challenge is to assist high-growth-potential Indigenous entrepreneurs with building and crystallizing their business stories. Anthony was awarded a four-week business mentorship program as well as a USD 5,000 scholarship to Dartmouth College's Tuck School of Business Entrepreneurship Program for being the successful candidate.



## COVID-19

The COVID-19 pandemic was a challenge for Anthony and Nuez Acres as well. This was particularly difficult to navigate when it came to ordering pecans to make their products. The start and stop of local restrictions made their ability to visit wellness markets around the province difficult as restrictions for in-person events were constantly changing. Anthony was able to manage the unpredictability of the global pandemic and continue to foster relationships with local market organizers, which, in turn, resulted in Nuez Acres being invited back to participate as a vendor at future events.

### Personal Challenges

Overcoming personal challenges can often be more difficult than other issues for entrepreneurs. Getting over the feeling of imposter syndrome can be quite challenging. For Anthony, this is compounded by his Métis background and not completely fitting within the Indigenous space. The West Coast of Canada has many different Indigenous populations along with several Indigenous powerhouse brands. For Anthony and Nuez Acres, trying to find their space without taking up space has been difficult.

# Successes and Opportunities



## Successes and Opportunities

Aside from being an award-winning, women-led, and Indigenous-owned clean beauty company, Nuez Acres has experienced many great successes since their launch. One goal that the company wanted to pursue was to become CertClean certified. This certification was important to Anthony because it helped solidify their product as being free from harmful chemicals in a marketplace that is saturated with beauty products that often contain damaging substances. Nuez Acres recently won two international awards issued by CertClean for their beard oil and mascara.

“It was really neat to join a program two years ago that we really cared about, and then to be not only nominated but to win two awards, it really kind of put that little bit of pat on the back for all the work that we’ve been doing.”

The future is bright for Anthony and Nuez Acres. There are plans to expand into the United States and internationally — particularly in South Korea. South Korea is where waterless beauty originates so breaking into this market is important to Anthony. To do so, Anthony has taken a Trade Acceleration Program and has worked with Export Canada to get their products ready for international shipment.

The ultimate goal for Anthony, as lofty as it may be, is to have Nuez Acres purchased by a more prominent legacy brand in the hopes that they would continue to use his father-in-law’s pecans as a significant driver for economic growth within the business and the entire state of Chihuahua, Mexico. Anthony is incredibly thankful for the opportunities that his family’s farm has provided and has a deep connection to those working on these farms. The potential sale of Nuez Acres would help many people and their families.

# Métis Values and Beliefs

## Métis Values and Beliefs

When it comes to Anthony's business, he feels that his Métis heritage has helped to influence his business. The company uses every part of the pecan, which he credits to his heritage and a deeper understanding that there's a reason and purpose for everything.

There are also feelings of patience and humility that he considers when it comes to growing his business and the decisions he makes on a day-to-day basis. For Anthony, growing the business slowly can be credited to his cultural values and teachings, ensuring that Nuez Acres isn't overstepping their bounds by taking too much too quickly. There is respect given to the pecan orchard, and Nuez Acres is only growing what is needed to ensure that the business remains operational.

## Advice for Future Entrepreneurs

Anthony puts it: "There's a couple of things. You ask — if you don't — you shouldn't know the answer — if you start a business up, you should have a million questions. You shouldn't know it all. So definitely, it's a good thing to ask questions."

Having clear goals and an understanding of what your product is are extremely helpful. When Anthony was looking into expanding in the United States, he would have done things differently. Understanding this ahead of time may have led to fewer headaches:

"And sometimes starting at the end of a project, you know, if I would have known that I wanted to get our pecan oil in the United States



market on Amazon selling to X amount of people a year, I would not have gone through four different sets of labels or four different sets of packaging or had to order different recipes to get into the States. So sometimes understanding what your end product is and then working back from there that you can really set your goals and understand your whole vision from the whole thing."

For Indigenous students, Anthony strongly feels that there are opportunities to be made, and he suggests:

"There are so many people who want us to succeed. You just have to go out and do it. You know. Doing a three-month program has given me the opportunity to sit here and speak with you about a business that I've created in the middle of a pandemic."

"So, there is lots of support out there. And whether you've had good credit, bad credit ... you have the opportunity to really take a hold of your life and create something incredible for yourself."

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# Acknowledgements

## Land Acknowledgement

Humber Institute of Technology and Advanced Learning and the Canadian Council for Aboriginal Business is on the treaty lands and traditional territory of the Mississaugas of the Credit and homeland of Anishinaabe, Haudenosaunee, and the Wendat peoples and is now home to many diverse First Nations, Inuit and Métis peoples. We also acknowledge that Toronto is covered by Treaty 13 with the Mississaugas of the Credit.

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The research team would like to thank Anthony Wingham of Nuez Acres who generously shared his time, experiences, and knowledge throughout the development of this case study.

## Suggested Citation

Wubbenhorst, A., Henebry, J., & Szkudlarek, P. (2023). *Indsights - A Window into the Indigenous Economy: A Case Study on Nuez Acres* (pp. 1-16). Toronto, Ontario: Humber Institute of Technology and Advanced Learning. Retrieved from [www.indsights.ca](http://www.indsights.ca).











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