

April Femrite is seeking more capital to expand her Naturally Bamboo business.

Growing Organically

Femrite looks to expansion in face of a tough economy

By Sara Gilbert Frederick
Photos By John Cross

April Femrite knows that coming in second in the Forbes Inc. annual Boost Your Business contest was an amazing feat. After all, her Mankato-based bamboo clothing business, Naturally Bamboo, rose above almost 1,500 other applicants to make it to the second round and then was one of the top five who was invited to New York to give a presentation to a panel of judges. And of those five, only one — only one! — business finished higher than she did.

But while the first place winner went home with \$50,000 in cash for business development and another \$50,000 worth of credit for advertising on Forbes.com, there was no prize for second place.

Femrite knows she didn't leave empty handed, though.

"There were definitely benefits," she says. "It helped me to improve my business plan and gave me a better understanding of how an outside investor would view my company. I also got

some good advice about different outlets to take the business to, some partnerships to consider trying.”

All of that is valuable for Femrite. It's only been three years since she started her business, with the goal of designing, producing and selling clothing made from natural bamboo fibers in a way that was both socially and environmentally responsible. And both her clothing, and her commitment to sustainability and to creating an entirely North American supply chain, have been well received.

Sales doubled between her first year in business — 2007 — and her second. Her web site generates good traffic, as well as almost three-quarters of her total sales. Customers who are initially attracted to her position on environmental sustainability become repeat buyers after they discover how soft, durable and comfortable her clothing is. Although the recession cut into sales in 2009, Naturally Bamboo's products and philosophy are both clearly viable.

Now Femrite just needs more money.

“For me to grow to the next level, I am going to need outside capital,” she says. “I'm trying to compete with bigger brands, and right now I just don't have the money to do that.”

Building the business

When Femrite started Naturally Bamboo, she gave herself five years to be profitable. “I still have two years left to get there,” she says optimistically. “But 2009 was a big step back; I almost feel like I'm back to rebuilding all over again.”

Not only did sales drop in 2009, but many of the small

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retail outlets that carried her clothing also went out of business. “I have about 20 retail outlets,” she says, “but I lost several last year, and there's definitely a trickle down effect from that.” After a strong holiday season, however, Femrite was beginning to feel hopeful again. She was looking forward to spring and to the possibility of entering a new upward swing.



Up and Coming

What she needs, she says, is a little more additional financial support, and one great partnership with a large national retailer — she named Scheels, Target and REI as examples — to jump start sales.

Unfortunately, neither are easy to come by right now. The depressed economy has caused many investors to hold onto their dollars a bit more tightly than in the past; banks are doing the same thing. “I’ve been to several banks and none of them can help me,” Femrite admits. “Credit is just not available right now.”

Although every sale she makes is reinvested directly into the business — which she operates almost single-handedly out of her Mankato home, where she and her husband are also raising their two boys — there isn’t enough to develop new products, create new packaging or hire a sales staff. “To hire even one sales person who could be out there on a day-to-day basis would make such a difference,” she says. “What it comes down to is that I am so busy wearing so many different hats within this business that I don’t have time to knock on doors and sell my product.”

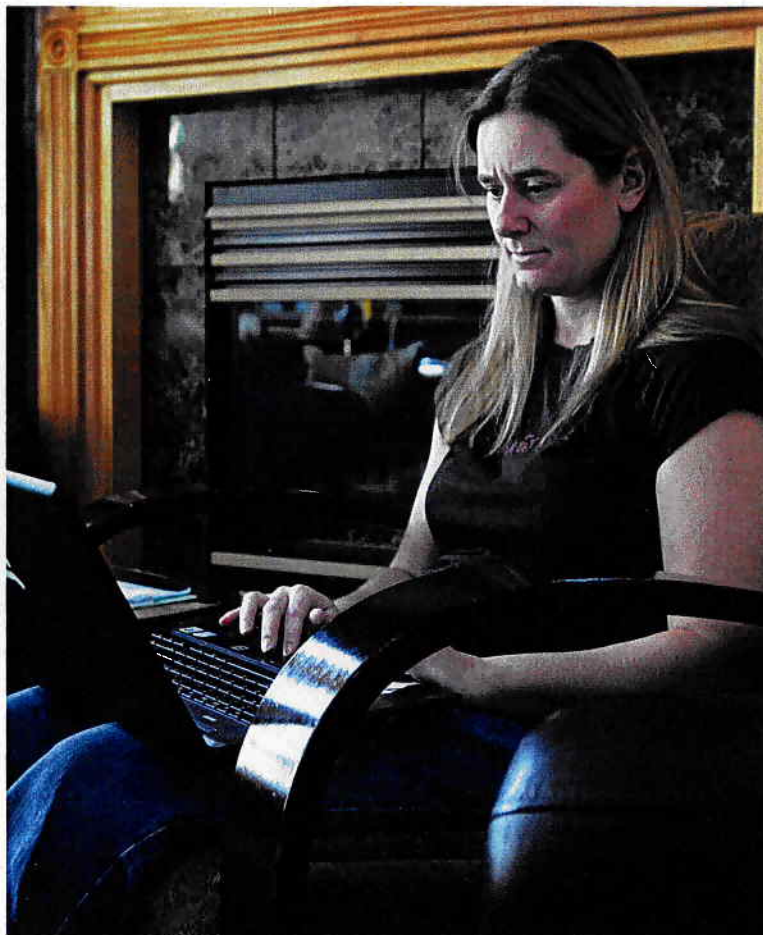
But that doesn’t mean that Femrite is twiddling her thumbs while she waits for additional funds to be funneled in. She’s added a line of accessories that diversifies both the scope and the price points available within her product offerings: arm warmers, socks and “silos,” or neck and face warmers, for example. All of those went over well at an outdoor retailer trade show that Femrite recently attended in Utah.

“That’s a different strategy for me,” she explains. “These are things that are very quick to make and that don’t cost as much as other things.”

Although she’s disappointed that she didn’t win the Forbes competition last year, Femrite recognizes that good things have come out of the experience — and that more good things are still to come. Her involvement in the contest generated a lot of publicity, both locally and throughout the state (already this year, she’s done interviews with several magazines besides this one, including *Enterprise Minnesota*). All of that has assured her that she’s heading in the right direction.

“I think the biggest impact of the Forbes contest is that it gave me the confidence to know that I’m doing the right thing and that I’m going in the right direction,” she says. “And the community support that I’ve gotten because of it has been amazing. I’m still getting letters in the mail from people saying they’re so proud of me, that sort of thing. That just doesn’t have a price tag.”

And Femrite remains realistic about the growth of Naturally Bamboo as well. Her first priority, she says, remains her two young boys — one is in first grade, the other in pre-



April Femrite runs her one-person business out of her home.



school. They were the reason she started a business in her home in the first place, and she is committed to maintaining the flexibility she needs to care for them and to be active in their lives.

“No matter what, I will make this business work around my family,” she says. “I have intentionally not grown it too big yet, because that is my priority.” **MV**