



NEWS

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Small Business Exporter Receives SBA National Honor

Cambridge, Minn. – Alicia Overby, President of Baby Elephant Ears, Inc. based in Cambridge, has been named the Small Business Exporter of the Year for the U.S. Small Business Administration's Minnesota District Office, the upper Midwest Region, and the Nation.

The Small Business Exporter of the Year is selected to honor individuals or organizations who have increased sales, profits and/or growth of employment because of exporting, demonstrated creative overseas marketing strategies, found effective solutions to export-related problems, and demonstrated encouragement of other small businesses to export, and cooperated with other businesses in the creation of export trading companies and/or introduction of unique trading relationships, products or services. Tom Willett of TRW Consulting nominated Overby for this award.

The regional award winner is selected from among the state winners. In addition to Minnesota, SBA's upper Midwest Region includes Illinois, Indiana, Michigan, Ohio and Wisconsin.

The national award is selected from Regional winners.



A problem can lead to an opportunity if you are open to it. That is exactly what happened to

Overby when her second child, Finn, had to be treated for a subluxation. His lack of neck strength was causing pain which a chiropractor said could be reduced by proper neck and back alignment. This led a stay at home mom and novice sewer to create such a pillow. She then shared the pillow success with others which led to the creation of Baby Elephant Ears, Inc. on

January 17, 2009.

In September of 2009 Overby took her pillow and blankets to the ABC Baby Expo in Las Vegas hoping for some interest in her products. She returned with 500 orders and interest by distributors in several countries. This success was enough to move her productions from a home operation to a pillow manufacturing firm in Wisconsin.

Initially, the business was financed by a loan against her husband Scott's 401K. However as the business grew its cash flow needs also grew. So, in 2010 Overby worked with Tom Willett, a consultant to the SBDC North Central Regional office, to prepare a business plan and obtain a SBA 7A loan for \$ 100,000.

Overby has grown the business from sales of \$12,541 in 2009 to \$280,296 in 2010. By 2011 sales total \$1.56 million. In 2012 sales dropped slightly to \$1.35 million. After an extremely lucrative licensing contract was written in late 2012 with her South Korea Distributor the sales for 2013 dropped, but profit was increased. As of the end of November, she had sales of \$.56 million.

Part of the sales growth is the result of growing the domestic market. In 2013 a milestone was reached with the total number of stores exceeding 500. However, the biggest factor is exports to distributors. The Federal and Minnesota STEP programs have contributed to this ever expanding overseas market. Export sales account for approximately 80% of all sales in 2011.

One result of the growth has been despite most of the work being performed by the Wisconsin firm, Overby has added some employees. Her mother works part-time handling the retail sales orders. In 2012, she added an Office Administrator. The outlook for 2014 is the addition of another part-time person.

Today the Wisconsin plant manufactures, packages, and ships orders to foreign distributors and national wholesalers. They ship product to Overby's business where retail orders from internet sales are handled. The business is located on the farmstead where Overby grew up. Her father remodeled a historic 150 year old barn for business operations. The first floor is for receiving and shipping produce while the second story houses office operations.

This year Overby was awarded \$15,000 through Huggie's Mom-Inspired Grant program.



Overby will be honored at the Minnesota Small Business Week Awards program on May 6, 2014, at the Minneapolis Marriott Northwest.



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