

Earth Balance increases line of natural products

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LONGMONT — Earth Balance is giving natural food shoppers more products to choose from this month by rolling out two new peanut butter styles and an almond butter it developed.

Longmont-based Earth Balance is the all-natural division of Smart Balance Inc. The company has been operating in Longmont for more than a year. Earth Balance is known for its butter alternatives — buttery spreads that include original, original whipped, soy garden and one made with olive oil. The spreads are a line of natural, trans-fat free butter alternatives. They don't contain hydrogenated oils, preservatives and emulsifiers that other butter alternatives often contain.

Rickard Werner, Earth Balance's vice president and general manager, said the company has 14 items on the market including the two new peanut butter styles and an almond butter. Last year the company had six items.

During the past year, Earth Balance added two 50/50 butter blends one salted and the other unsalted. The company extended its tub line by adding an extra virgin olive oil. It also introduced a cream cheese spread that has half the cholesterol and a third less saturated fat.

"We have a patented oil blend from Brandeis University that was clinically shown to raise your good cholesterol and lower bad cholesterol combined with reasonable diet and exercise," Werner said.

Earth Balance is sold in all 50 states and Canada. The company launched bilingual packaging in Canada.

"We are available in almost every natural food store in the country and over 30 percent of the conventional stores," Werner said. "We are the number one brand in natural foods and growing at a double-digit pace."

Major grocery chains King Soopers, Safeway Inc. and Albertsons carry Earth Balance products. The retail prices are \$2.99 to \$3.99 for the flagship tub line; \$4.49 to \$4.99 for the butter blends; \$2.99 to \$3.49 for the cream cheese; \$3.99 to \$4.49 for the peanut butters and \$9.49 to \$10.49 for the almond butter.

In the past year, Earth Balance hired the Sterling-Rice Group in Boulder to redesign its packaging. The previous packaging didn't allow the consumer to know the products belonged to the same company. Now all the products have the same signature sprig so people can identify the brand.



Werner said Earth Balance has seen its business grow in conventional stores as more organic and natural products become available in those stores. He said the higher the education level a person has, the more likely that person will make a choice to become an organic shopper. Werner tends to have lots of customer contact with educated consumers.

"It's a huge resource to a company to have direct customer contact," he said. "It's also time consuming."

Bob Burke, principal with Natural Products Consulting in Andover, Mass., said he thought Earth Balance has a good future with the products the company offers.

"It's a product with real tangible health benefits," he said. "They deliver on their promise—their products are better for you and taste good. They have the resources, money and management. I think they will do great."

The long-term trend for natural food growth is related to baby boomers making a connection with chemicals in their food and an interest in health and longevity. Burke said the industry is averaging about 12 percent to 15 percent growth a year.

Last year Smart Balance had \$175.5 million in net sales. Werner declined to give any revenue numbers for the Earth Balance division. Smart Balance has eight employees in Longmont and two of the eight are with Earth Balance. Werner may add a few people next year, but will take it slow depending on growth.

Steve Hughes is the chief executive officer of Smart Balance. He works in the Longmont office with Earth Balance. Hughes created Boulder Specialty Brands as a special acquisition corporation and acquired Paramus, N.J.-based GFA Brands Inc. in 2007. GFA is a subsidiary of Smart Balance. New Jersey is the administrative headquarters where accounting, finance and product development are located.

Hughes, a natural foods veteran in Boulder, hired Werner to turn Earth Balance into a premier brand in natural foods.

Werner's job includes sales, marketing and product development as well as overall responsibility for the Earth Balance division. He spent seven years at Wild Oats Markets before the merger with Whole Foods Markets Inc.

In a competitive industry, Earth Balance is sticking with the fundamentals to stay successful.

"The foundation of the brand is all natural no artificial anything," Werner said. "If we can't make a product without outstanding taste and performance within the boundaries of the natural ingredient profile, we won't release it."