

Measure of a plan

by Christine Stanley

Great ideas come in fleeting moments, like the time spent in traffic or a few peaceful minutes in the shower. They're good ideas too, surely novel, brilliant and worthy of creation. And yet these ideas never see reality. The idea dwindles under the many excuses related to time and money. That is, unless the dreamer and his idea hook up with Doug Gibbs and his aptly named Yuba company, Gibbs Group LLC.

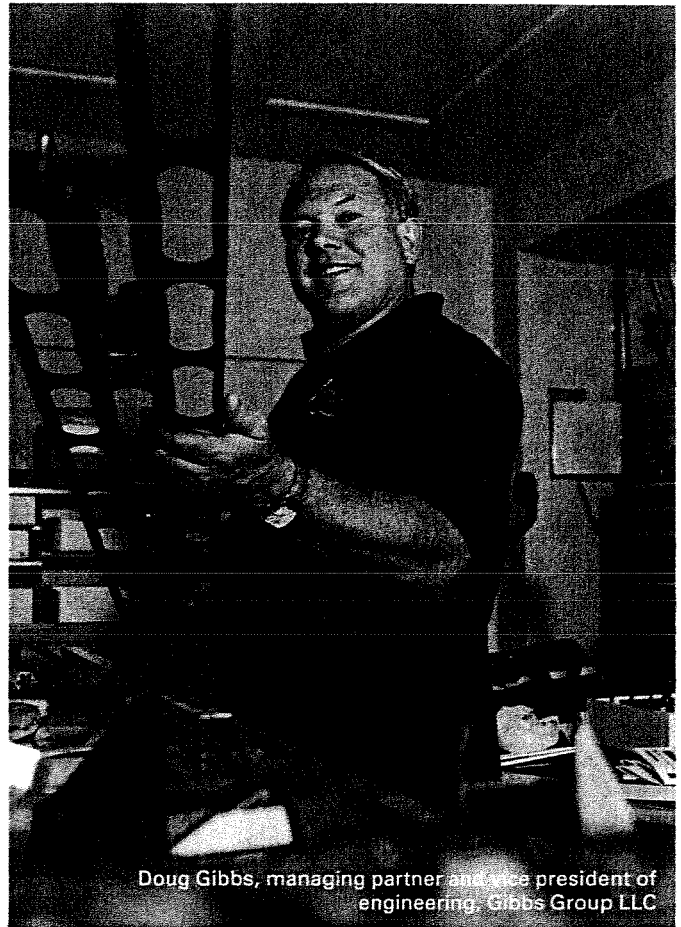
Far from the buzz of Silicon Valley and other power centers like Chicago and New York, Gibbs Group, purveyors in product design and development, is pumping new wares into the market. The company was the brains behind the world's lightest, waterproof, soft-shell jacket, manufactured by Patagonia Inc. clothing company, and the brains behind No Toil, the world's first biodegradable, nontoxic filter oil.

"We come to get the job done, and we don't waste money. We never advertise, and we have a waiting list of clients and products," Gibbs says. "We shortcut the bureaucracy and cut right to the chase. To us, it's necessity. As a small company, if we want to get in there and take some of the market, we have to be the firstest with the mostest."

And that's certainly what Gibbs Group has become since its roundabout establishment in 1993. Appropriately, the product development business came about after Gibbs started a little company that made bicycle carriers.

"I was at Hewlett-Packard and was exposed to product development, but my entrepreneurial desires weren't being met and my entrepreneurial skills weren't being used. So I started a company, Yakima, that made bicycle carriers and grew to be pretty popular."

One bike rack led to another, and before too long Yakima birthed SportRack, which wound up on the assembly line at



Doug Gibbs, managing partner and vice president of engineering, Gibbs Group LLC

Chrysler. SportRack was eventually bought out and now pulls more than \$400 million annually.

"It started right here, very small, very humble, in Yuba City," he says. "And then we thought, 'Geez, we're pretty lucky,' and what a minefield is out there full of ideas."

Since then, Gibbs says he and his company have developed a solid reputation for quality product development, cost-efficient production and a quick concept-to-shelf turnaround. In his 15 years in business, Gibbs and his six-man team have launched nearly 1,000 new products and have started and handed off at least 50 companies. Gibbs Group maintains relationships with manufacturers around the world, says Gibbs, whose clients typically see their products on shelves within 12 months.

Traditionally, when an inventor or corporation steps up with a new concept, he says, a development firm will put in months of prototyping before handing the product to manufacturers who go through an additional process of modifications. It's a time-consuming and inefficient process, if you ask Gibbs.

"We do a drawing and say, 'Here is what we want. Here is what we can pay. Make it.' We're not going to go through months of prototyping if the manufacturer knows best," he says. "Phases are happening congruently, not linearly."

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CHAMBER VIEW

Photo: Vincent / Sacramento Metro Chamber President: CEO

Getting Back to Basics

The Sacramento region may be in for a rough economic ride over the next three to twelve months, but we also have a tremendous opportunity before us. We can learn from our past while investing in our future.

The last two economic cycles have had one thing in common — America's lust for more than it can afford. Our need for immediate gratification continues to be apparent in the boardroom, halls of government, work and home.

How did this happen? Well, somewhere along the way, we lost our way. We actually came to believe, throughout our society, that we were entitled to things we simply couldn't afford.

Don't get me wrong, I believe it's great to make money, turn a profit and provide for your family; it's the American dream. I also believe, however, that in times like these we learn a lot about our country, ourselves and our values.

To move forward, we must go back — back to the basic values that made our country great and the envy of the world. Our economy must be based on hard work, ingenuity, entrepreneurship and our ability to produce real results, not only on the manufacturing floor, but also in the financial reports that follow. Excessive compensation for mediocre results can no longer be the norm. Hard work and real performance must be our guiding business principles.

Now is the time to tame our addiction to immediate gratification, to get back to the basics. While we expect our government to watch out for our best interests, we must also take care of our own. There must be investment in our future — in our own workforce, in our infrastructure, in new technologies that give us a competitive advantage over the rest of the world. The opportunities lie before us to improve our lives and to recapture those qualities that have made this nation great.

While our economic system may be dominated by large corporations, let us not forget that the majority of American businesses are small, and many are owned by an individual or a family. It is part of the American dream to be your own boss, and being an entrepreneur is one of the most appealing ways to improve one's economic future.

To that end, let's support our local businesses, startups and nonprofits. Not only will you be supporting your neighbors, you will help our local economy rebound with each business transaction and retail purchase. Buy local, Sacramento!

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Product development, testing, manufacturing and marketing take place both locally and internationally to allow for maximum economy and efficiency.

"We might need something to be developed in China for timing reasons. Some of our high-tech products are done in Israel because they're the only ones that have the technology we need," Gibbs says. "We look here first, but we choose factories that satisfy the criteria, the price of the product and the capital investment."

It's the efficiency and ability to think big that's drawn contracts from the likes of Patagonia, and Orange County Choppers — which is currently developing more than 120 products with its licensee, Chimpfeet LLC, through Gibbs Group. The business model also enticed Sonoma County-based Mike Lerner and a crew of wine lovers who say they were tired of pouring out good wine.

"We have a lot of nice wine, and we would come home to the wine cellar and say 'Gee, I'd love to open that bottle, but I know I can't finish it,'" Lerner says. "And you end up drinking cheap wine because you don't want to waste the good stuff."

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— Doug Gibbs,
managing partner,
Gibbs Group LLC

Lerner visited area wineries to learn how winemakers were protecting their vintages. The king of preservation, he discovered, is argon gas. Winemakers layer it in fermentation tanks to protect the wine from oxygen as it ages.

And that's how the Wine Steward was born. With his concept for a custom cork that injects argon and reseals the wine bottle, Lerner began building a few Wine Stewards at a high price.

"Gibbs Group was instrumental to our development," Lerner says. "They worked with us to get it to full manufacturing and get it to the right price point for customers."

Gibbs was unable to release numbers related to sales or revenue, but says he pulls in his share of success through royalties and fees. His company grew steadily in the first decade, but Gibbs says numbers have flattened the past four years. He's got the economy to contend with and a well-respected competitor, Ideo Inc., in the Bay Area. Nonetheless, he's as motivated and busy as ever. "It's with a nimble company that we are able to do these things," he says.

And now that the Wine Steward is available locally at BevMo! and William Glen, Lerner couldn't agree more. "Their knowledge of how to get something small into something big is tremendous," Lerner says. "Without them we would have been a lot smaller for a lot longer."