

A better way to get a promotion:

[Back to Article](#)[Click to Print](#)

Thursday, Jul. 17, 2008

String Theory

By Coeli Carr

Sharon Rowe knew her fledgling business had struck a chord when she sold 3,000 string bags at five bucks apiece in four hours flat during an Earth Day celebration. Given how green-conscious we've become, that doesn't seem unusual. She did this 18 years ago. Today her belief in the environmental beauty of reusable bags is paying off. In a world where sustainability equals marketability, reusable bags are a must item. In 2007, Eco-Bags Products, her company in Ossining, N.Y., generated sales of \$2.2 million, a 300% increase over the prior year. She sees revenues doubling this year — perhaps along with the competition. The growth has been "like a wave" that has yet to crest, says Rowe.

According to market-research company NPD's Accessories Tracker, the hottest accessory in the U.S. over last year through May 2008 has been reusable shopping totes. During that period, sales for these bags rose 72%. NPD's chief consumer analyst, Marshal Cohen, says consumers clearly see the environmental benefit reusables have over plastic. They bestow green-pop-culture "bragging rights," especially because celebrities use them, says Colleen Ryan, an analyst at market researcher Mintel.

Eco-Bags started in 1989 when Rowe asked a friend to bring back a string shopping bag from Europe for her. Light and scrunchable, woven bags — long a staple on the Continent — could easily be tossed into handbags for impulse purchases. Rowe's friends liked her new find and wanted their own. Rowe, then a sales executive, found a supplier in Germany, trademarked the name ecobags and began to sell to natural-food stores.

In 1992, hit by rising import costs, Rowe found a new supplier in Mumbai (formerly Bombay) that provided more colors and styles. Three years later, she added canvas bags for suburbanites who wanted a more structured bag to load in their cars, and in 1996 she started using organic cotton. Retailers began paying attention. When natural-foods chain Fresh Fields asked Rowe to print its name on the

string bags, a green branding device was born. Today her clients include supermarkets, corporations and nonprofits. Rowe sells about 100 products made of string, canvas and recycled materials at prices ranging from \$2.50 to \$42.

Rowe has an unusual approach to her competitors: she sells their products, including those of ChicoBags. Andy Keller, a green-conscious software salesman before he founded the ChicoBag Co., in Chico, Calif., in 2004, suspected a lot more people would tote their own shopping bags if only they could remember to pack them. His solution was to make the ChicoBag's small storage pouch part of the bag. The product's patented design helped generate sales of \$2 million in 2007. He, too, projects revenues will double in 2008. About half his business comes from customizing the nylon bags — they retail for about \$5 and are available in 10 colors — for nonprofits, schools and corporations.

Reusables may even be too hot. "[They] are becoming a commodity market, and the business is getting increasingly competitive, with new companies popping up every week," says Keller, who's concerned that if the bags are priced too low, people will treat them as disposable, defeating their purpose. For now, reusables are hip. Whole Foods, which stopped using plastic bags this April, has "sold in excess of 2 million reusable bags in many styles," says Michael Besancon, who heads Whole Foods' green initiative. The Container Store introduced a reusable made of recycled billboard material for \$29.99. "Sales have been amazing," says Mona Williams, who oversees the buying department. "Consumer attitudes toward reusables have radically changed. It's not a fad. It's a lifestyle change." Rowe would agree. Reusables are "the poster child for the green movement," she says. It's her payoff on a nearly 20-year-old goal to clean up the planet, "one bag at a time."

 Click to Print

Find this article at:

http://www.time.com/time/specials/2007/article/0,28804,1706699_1707550_1823981,00.html