

Landing Macy's, other retailers gives Bearpaw a larger footprint

KELLY JOHNSON | STAFF WRITER

A local footwear-maker is increasing sales, diversifying and even hiring a few people.

Romeo & Juliette Inc. is making great strides with its BEARPAW brand—adding retail chains, expanding locations and introducing apparel, company officials say.

The Citrus Heights-based company expects more than 60 percent growth this year, the same as last year, said Randy McKinley, vice president of sales and marketing.

Romeo & Juliette Inc.

Business: Footwear maker, with brands BEARPAW, Pawz and Attix

Headquarters: Citrus Heights

Owner: Tom Romeo

Employees: 12

Web: bearpawshoes.com

headquarters, will open a 6,000-square-foot Los Angeles showroom for retailer reps, and recently established a Portland, Ore., design hub with three independent contractors.

In Citrus Heights, the company hopes by Aug. 1 to double to 6,000 square feet to accommodate additional offices, a conference room and a mini showroom where retailer representatives can check out

Department-store chain Macy's will now offer Bearpaw, and Lady Footlocker will expand Bearpaw to more of its stores. Bearpaw also has expanded global distribution to 23 countries.

Romeo & Juliette owner Tom Romeo is doubling the size of the small



Tom Romeo displays one of his Bearpaw brand boots at his Citrus Heights display room.

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product, McKinley said.

So far this year, the footwear maker has hired three people in customer service; it plans to hire two more employees this year. Romeo & Juliette employs a dozen people in Citrus Heights, and elsewhere uses independent contractors.

Bearpaw's signature product is sheepskin boots. The popularity of UGG boots and shoes has paved the way for Bearpaw, McKinley said. Celebrities helped boost the popularity of the sheepskin boots, and Ugg attracts a more affluent consumer.

"Ugg is by far the leader," McKinley said. "We love their company."

Bearpaw has attracted consumers looking for less expensive, casual sheepskin boots. The shoe business is "tough because of our economy being flat," said Romeo, a Granite Bay resident who has been in the shoe industry for 25 years.

Footwear sales continue to be down since

peaking in 2007, said Scott Elmore, spokesman for the American Apparel & Footwear Association in Arlington, Va.

The footwear industry weathers the difficult economy better than many other industries, Romeo said, because shoes are a small-ticket item that consumers can buy to feel a little pampered.

Bearpaw is "starting to blossom," Romeo said. It sells about 4.5 million to 5 million pairs of shoes a year, each retailing for about \$20 to \$25, he said.

"We're a quiet giant no one knows about, and we like it that way," he added. Romeo said he also likes having a small organization that can "turn on the dime."

But Romeo & Juliette's leaders realize that some other trend eventually will capture consumers' attention, and it can't rely solely on that narrow niche. So Bearpaw also sells other types of footwear, including sandals and rain boots.

BEARPAW, the brand

Revenue growth: More than 60 percent in 2009

2011 preliminary projection: Revenue growth of 25 percent to 30 percent

Sold through: Hundreds of bricks-and-mortar and online stores, from single-store retailers to chains

Made: In China, with possible addition of Mexico, Vietnam and Indonesia

The company plans to expand to apparel, and perhaps shoe care products and accessories such as hats and gloves, McKinley said.

Apparel would never represent more than 30 percent of the business, he said.

For starters, Bearpaw plans to in fall 2011 launch some outerwear products that will complement the existing footwear products.

Tina Farren is sold on Bearpaw. She's the founder and chief executive officer of My Boutique & You LLC, an online and home consulting shopping business that carries Bearpaw boots and sandals. She wears Bearpaw boots, as does her 16-year-old daughter.

"Their pricing is excellent. The kids love it. My age bracket loves it," Farren said.

My Boutique & You, which also is based in Citrus Heights, has sold out of Bearpaw sandals, and is ordering more.

Romeo said he can envision his company acquiring or launching additional footwear brands. "We want to put Sacramento on the map for shoes," he said.

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