00;00;00;00 - 00;00;19;15

Alena Poulin

Welcome to FRE Lunch, the official podcast of the Food and Resource Economics Department at the University of Florida. I'm Alena Poulin, the marketing and communications specialist for the department.

00;00;19;18 - 00;00;34;04

Caleb Stair

I'm Caleb Stair, assistant instructional professor of food and resource economics and the coordinator for undergraduate research in the department. Meaning I get to interact regularly with the members of our FRE community and see all the cool and interesting topics being explored.

00;00;34;10 - 00;00;46;13

Alena Poulin

That's why we made this podcast! To showcase the many ways students and faculty are using economics research to understand and address the complex issues facing agricultural and natural resource industries.

00;00;46;15 - 00;00;53;27

Caleb Stair

From burlap to business. That's right. We're talking about the ins and outs of business ownership in the US and global textile production.

00;00;54;04 - 00;01;03;01

Alena Poulin

We're releasing this episode on Black Friday, the perfect time for some of you to listen while you're waiting in line to gain access to Doorbuster deals at some of your local businesses.

00;01;03;03 - 00;01;17;10

Caleb Stair

And since November is also National Entrepreneurship Month, we figured it would be great to highlight one of FRE's own entrepreneurs, Anna Biggers. Emma graduated from our department in spring 2024 and has since started law school at Stetson University.

00;01;17;17 - 00;01;25;09

Alena Poulin

On top of that, she purchased a boutique clothing store, Brooklyn's By Emma, in Panama City, Florida, and has run it since her undergraduate days

00;01;25;09 - 00;01;41;27

Caleb Stair

At the beginning of the year, according to the Small Business Administration, or SBA, there were over 33 million small businesses in the United States, accounting for 99.9% of American businesses and employing nearly half of all private sector employees.

00;01;41;29 - 00;01;48;06

Alena Poulin

The size standard for a small business reflects the larger the business can be before it's no longer considered small.

00;01;48;08 - 00;01;54;26

Caleb Stair

There are two ways to determine business size. You could go with number of employees or average annual revenue.

00;01;54;29 - 00;02;07;02

Alena Poulin

In general, the SBA's definition of a small business is that it is independent with fewer than 500 employees. However, the precise threshold for each metric varies significantly by industry.

00;02;07;05 - 00;02;12;20

Caleb Stair

Did you know only 39% of businesses in the U.S. are women owned, and one of them is Emma’s?

00;02;12;21 - 00;02;21;07

Emma Biggers

So, hi, I'm Emma Biggers. I just graduated from FRE this past spring, and I'm now in law school at Stetson University down in Gulfport.

00;02;21;07 - 00;02;24;07

Alena Poulin

And so how did you end up choosing FRE as your major?

00;02;24;10 - 00;02;44;16

Emma Biggers

So actually, it's kind of a funny story. When I came to UF, I was in the nutritional sciences program. I fully thought that I was going to be a dentist from the time I was in kindergarten, all the way through high school. I thought that that was the direction that I wanted to go in, but I found a passion for agriculture in high school, and I knew that that was a second passion project that I had for myself.

00;02;44;16 - 00;03;03;08

Emma Biggers

So I decided to do the law minor. And I ended up absolutely loving the first class that I took in that minor, which was with Doctor Olexa. And really, from that point on, I just decided to take a leap in that direction because it was really, especially coming out of Covid, it was the only class that I actually felt connected to and that I enjoyed.

00;03;03;11 - 00;03;11;07

Emma Biggers

So at that point, I knew that I wanted to stay in CALS, and FRE seemed like the best major professionally to kind of go with.

00;03;11;09 - 00;03;14;19

Caleb Stair

That's right, was your first two years under Covid?

00;03;14;22 - 00;03;26;09

Emma Biggers

So I came in to UF in fall of 21, so we were on our way out, but we still wore masks to every class. And actually, that semester I only had one class in person.

00;03;26;11 - 00;03;37;09

Caleb Stair

When I, when I first met you, I did not know that you were a business owner at the time, but I actually, I don't know, where did you have your business when you started at FRE? Like you had it before you started?

00;03;37;11 - 00;03;42;00

Emma Biggers

I did the summer before I started FRE is when I took over there.

00;03;42;02 - 00;03;43;28

Caleb Stair

So tell us more about that business.

00;03;44;00 - 00;04;08;00

Emma Biggers

Yeah. So it's a business that I bought from, so it's a small business chain originally. There are four stores. It's a clothing boutique called Brooklyn's. So I bought one location and now we're trying to separate. But the woman that I purchased the store from mentored me and taught me everything that I know in that space. So I felt very fortunate to use that as kind of an internship, but not internship to kind of get my feet in.

00;04;08;00 - 00;04;15;09

Alena Poulin

So had you been interested in getting into that clothing space before you met her, or how did that come to be?

00;04;15;12 - 00;04;34;10

Emma Biggers

So my parents were in business, and I've been around it my whole life. I've always loved kind of the hustle and it's always kind of a mind game in terms of strategizing and looking at competitors and doing all of that analytical work, which I love. So I had always had an interest in it and really coming out of Covid.

00;04;34;12 - 00;04;56;01

Emma Biggers

So my dad passed when I was right before I turned 12, and I thankfully received a little bit of money from him, and I had it invested in stocks. And at the time, the stock market was really struggling. And so my mom and I talked about it, and she thought that it would be a great opportunity for me to invest in something else and maybe get some practical experience and see what I wanted to kind of do with my future.

00;04;56;03 - 00;04;59;17

Emma Biggers

So I made the decision to purchase that store, and we kind of went from there.

00;04;59;20 - 00;05;06;19

Caleb Stair

Did you get to use or incorporate any of the things you learned in your time and FRE into the business?

00;05;06;19 - 00;05;31;00

Emma Biggers

For sure. As much as I hate to admit it now, all of the finance that we learned in FRE is definitely useful for me now. I thankfully do have an accountant who handles a lot of that stuff for me, but with his reporting and things like that, it's nice for me to be able to look at my balance sheet and understand everything on there and be able to calculate all of my profitability ratios and find weaknesses that way.

00;05;31;02 - 00;05;49;05

Emma Biggers

So for sure, those finance classes, but also some of the marketing choices and things that we learned that other stores do. One that sticks out was from Doctor Chen's marketing class about loss leaders. We talked about the CostCo rotisserie chickens a lot about how they intentionally take losses on that product. So the customers have to walk through the whole store.

00;05;49;05 - 00;06;08;21

Emma Biggers

They ultimately end up picking up other products on their way to get the CostCo chicken. So things like that I try to use strategically, and I guess that's why a lot of clothing stores put the clearance racks at the back, so that you have to walk through the whole store to kind of get to those. So some strategies for marketing as well, for sure, and I'm sure there's so many others.

00;06;08;22 - 00;06;19;13

Caleb Stair

According to the US Census Bureau, clothing and clothing accessory stores like Emma's were responsible for sales that amounted to about 307 billion US dollars.

00;06;19;13 - 00;06;29;17

Alena Poulin

And that's only factoring in fixed point of sale locations. If you add in popular online shopping sites such as Amazon, Stitch Fix or Shein, that number only grows.

00;06;29;21 - 00;06;38;15

Caleb Stair

So we know how much clothing is being sold in the US, but where is it coming from? The answer to this question can often be complex.

00;06;38;18 - 00;06;55;16

Alena Poulin

To figure out where clothing it's from, there are several steps in the production process. First, you have to figure out where the raw materials are coming from, whether that's cotton grown in fields, sheep being raised for wool, synthetic materials created through chemical processes, or even alligator skin harvested for leather.

00;06;55;21 - 00;07;04;16

Caleb Stair

These materials are then used to make fabrics referred to as textiles. These are used to make everything from beanies and backpacks to blankets and bathrobes.

00;07;04;18 - 00;07;17;17

Alena Poulin

The top textile producing country is China, with $148 billion in goods exported in 2022. Comparatively, only $14 billion of textiles were exported from the U.S.

00;07;17;18 - 00;07;26;03

Caleb Stair

In 2022, The U.S. was the eighth largest exporter of textiles in the world, but also the largest importer of textiles in the world.

00;07;26;06 - 00;07;35;03

Alena Poulin

What this means for small business like Emma's is that when it comes to keeping items on the rack, they have to factor in for many complex issues related to the global supply chain.

00;07;35;08 - 00;07;42;05

Caleb Stair

Her firsthand experience with this led Emma to me to work on her honors thesis.

00;07;42;08 - 00;07;58;01

Emma Biggers

At the time that we were trying to come up with a thesis topic, so I order a lot of my product from trade shows, and a lot of these vendors work out of China. So at the time, a lot of my vendors were celebrating Chinese New Year, and so rightfully, they take a few months off and celebrate and be with their families.

00;07;58;03 - 00;08;24;07

Emma Biggers

And for us, that puts us at a point where product is delayed by months. So we were looking at, I was kind of frustrated at the time, wondering if there was any potential way to kind of compensate for that or avoid that with certain products in the future. And one of the biggest products that I sell is graphic t shirts are the term for it are really trendy in the clothing space right now, and they are typically about 100% cotton.

00;08;24;08 - 00;08;34;19

Emma Biggers

So I wondered if there was ever potentially in the future, a chance that 100% cotton clothing materials could be made from start to finish in Florida.

00;08;34;21 - 00;08;39;13

Alena Poulin

And so to figure out the answer to that question, what sorts of data did you have together?

00;08;39;14 - 00;09;03;09

Emma Biggers

So which Dr. Stair actually worked on it with me, but we gathered data on Florida's textile production and employment levels from the Bureau of Labor Statistics. And we also did location quotients for every county in Florida. And so what that does is to help us identify what strengths each county has. So typically, like in northwest Florida where I'm from is really good in cotton production.

00;09;03;11 - 00;09;26;10

Emma Biggers

But there's other counties that work in textile finishing and some that are better, like in the more populated areas for retail. So we analyzed location quotients for all of those. And then I also researched the presence of sustainable practices in Florida's textile industry, and to kind of see the market and its readiness for eco-friendly production, and to see if that was something that consumers were actually interested in.

00;09;26;13 - 00;09;42;20

Caleb Stair

You know, the hope was to identify whether or not we could have locally supported textile industries and products and how valuable they were to their economies. Now, after that was being the goal, though. What were your findings?

00;09;42;20 - 00;10;07;08

Emma Biggers

So the findings ended up showing that no single county could support every level of the textile supply chain, but that technically the state as a whole could, because different parts of the county specialize in different areas, and that Florida is a pretty big cotton producing state. It was an option if that ended up being economically feasible. So it has to be a statewide approach, not a county specific initiative.

00;10;07;08 - 00;10;20;23

Emma Biggers

But technically it could work. And I think that it actually would be more feasible than it seems based on what I pay in shipping costs. And I think a lot of those shipping costs are more comparable to the cost of production.

00;10;20;28 - 00;10;48;11

Caleb Stair

And this was a good example of we tried to make sure that the honors students are doing something that they're actually interested in, because it takes a long time to do these honors theses. Emma worked on this for two semesters, but you want to do something that might be applicable beyond just your time at UF. And certainly for you that was true because this was something that, like you said, when you see these things at the trade shows, this would affect your business.

00;10;48;12 - 00;10;57;13

Caleb Stair

So how do you think that maybe other similar businesses to yours, I suppose, could apply these findings and the research that you did?

00;10;57;14 - 00;11;19;28

Emma Biggers

I think that other businesses could explore local sourcing options. I think there is a movement right now and a preference for locally and regionally produced products. So I think that especially in clothing retail, where a lot of time, a lot of stores in my space are we're all buying from the same vendors. So product lines can tend to be pretty similar.

00;11;19;28 - 00;11;39;04

Emma Biggers

And I think a way to differentiate yourself in this space could be by exploring that locally sourced option. And as a marketing tool. I think that that would attract a lot of customers in terms of, you know, if you have this clothing rack and it says locally grown, locally sourced, I think a lot of people care about that a lot more specifically right now.

00;11;39;04 - 00;11;45;09

Emma Biggers

then maybe they have in the past. So I think as a business option, it's a great way to differentiate yourself.

00;11;45;12 - 00;12;05;17

Caleb Stair

And there's certainly customers who are concerned with sustainability. You see things all the time that say avoid fast fashion to protect the planet and that sort of thing. As long as that continues to be something that people are concerned with, you might start to see locally produced clothing pop up at even farmers markets or things along those lines.

00;12;05;19 - 00;12;18;22

Caleb Stair

So it does seem like it's only a matter of time, potentially, at the very least until you start seeing it in smaller retailers, maybe even bigger box retailers and that sort of thing. Do you kind of agree with that, or am I completely off base?

00;12;18;23 - 00;12;44;26

Emma Biggers

No, for sure the impact on the environment of shipping so much apparel from overseas and then even from even if it's not overseas, from Los Angeles, even to where I am locally here in Florida, the impact is just monumental. So I think if the movement becomes big enough, there will be a push for locally sourced items and then you don't have that impact on the environment, assuming that it's not traveling more than a state's worth.

00;12;44;27 - 00;12;49;13

Alena Poulin

And with that, we've just about reached the end of today's episode. So thanks again to Emma for joining us.

00;12;49;18 - 00;12;56;05

Caleb Stair

In today's consumer market, people don't only want their clothing to look good, it's expected to do good as well.

00;12;56;07 - 00;13;04;25

Alena Poulin

A study was actually done on this topic in 2022, and when they were surveyed, only 3% of respondents didn't find sustainability at all important.

00;13;04;26 - 00;13;24;29

Caleb Stair

There are many ways to increase sustainability from where you're sourcing the materials and how far they're transported to the production process that goes into the materials being produced. And while the initial motivation had to do with supply chain issues, Emma and others like her are more aware of sustainability issues than ever before.

00;13;25;00 - 00;13;32;22

Alena Poulin

So when you're doing your shopping this holiday season, we encourage you to take a pause from the hustle and ponder the path that these products took to get to the shelf.

00;13;32;23 - 00;14;05;19

Caleb Stair

If you've made it this far, you've finished the entire episode and we thank you for that. Tune in next time for more food for thought. Thanks again for joining us on this episode of FRE Lunch. We hope you'll come back again for a seconds.