

YOU OWN WHAT?

## Marshmallow Mogul

By Karl Brown SB Global Foods, Lansdale, Pa.

**W**E'RE ONE OF THE country's biggest exporters of marshmallows. We also sell our own lines of gourmet pretzels and popcorn to 41 countries. This means that we have to be pretty creative at tapping into international markets. For instance, our Thailand importer managed to get a bag of our pretzel nuggets on the Thai version of *The Price Is Right*. For a trade show we dressed up a German woman in a puffy white marshmallow suit. Two months later her photo landed on the front page of the business section of a Chinese newspaper.

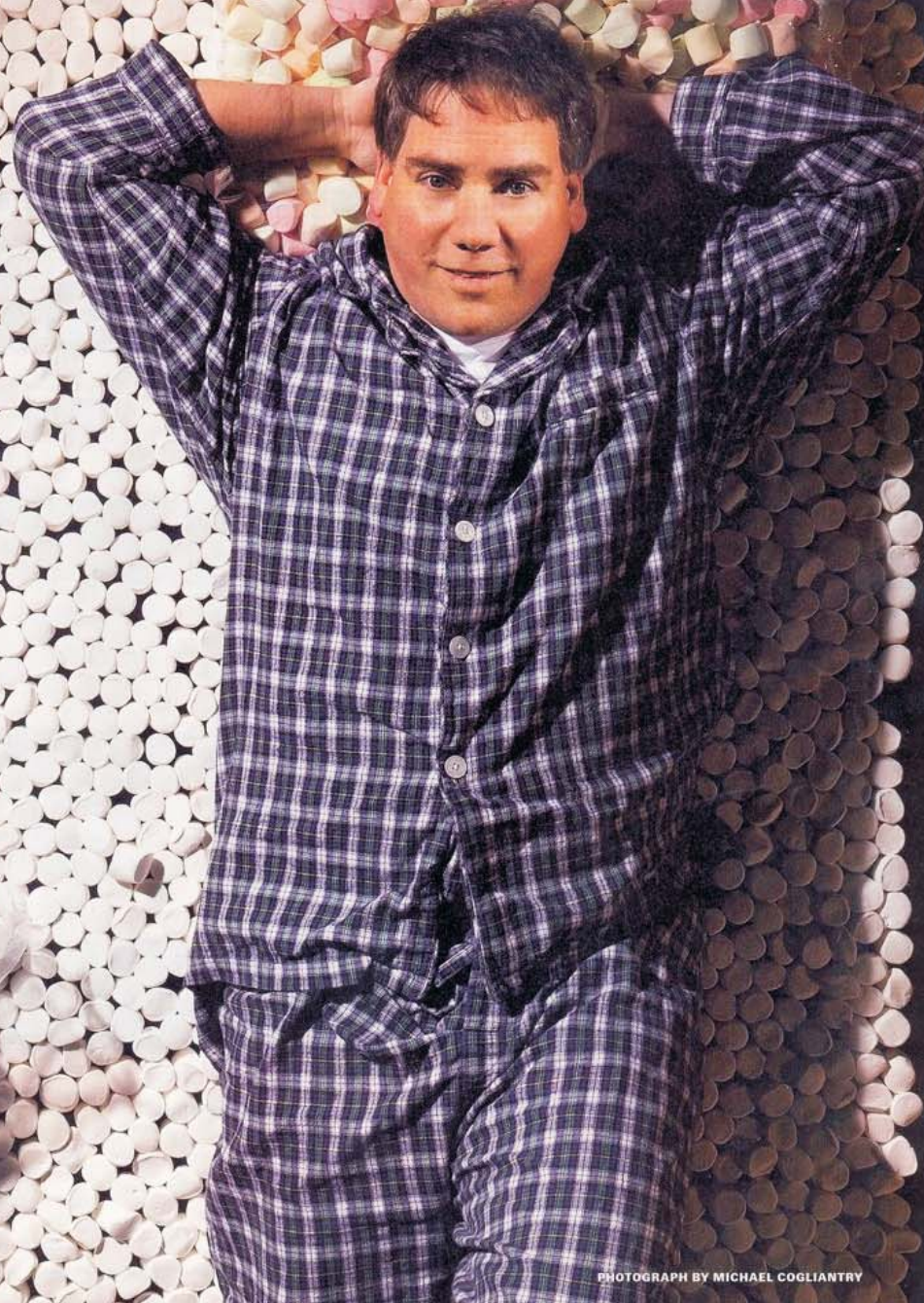
Before I became a marshmallow king, I spent several years in the early 1990s as a banker in Hamburg. I was struck by how much my wife missed American junk food. She'd drive eight hours to Belgium and spend \$12 for a \$3 box of Oreos. It got me thinking that there might be a demand for American-branded products, not only among expats but among the locals.

It took me 2½ years to land my first sale, to a German catalog company. Unfortunately it wanted small quantities of a lot of different items. Soon I was exporting almost 2,000 different American food products—Reese's Peanut Butter Cups, Bisquick,

cake mixes. This wasn't the most profitable way to do business—the margins were too thin, and we depended on the cooperation of major brands. It made more sense to develop our own versions of American food that wasn't available overseas, selling the product instead of the brand. We started with marshmallows. My manufacturer offered to develop a private label for me, and Rocky Mountain Marshmallows was born in 1996. We launched our pretzel and popcorn brands shortly after. Our marshmallow-exporting business grew so well—doubling in sales every year from 1996 to 2004—that my co-packer, Doumak, purchased the Rocky Mountain brand from me on the condition that we continued to export it. In the past two years we have nearly tripled marshmallow sales.

Politically the U.S. is unpopular abroad. But we see an almost unlimited opportunity for growth for our products. We recently shipped marshmallows, popcorn, and pretzels to new clients in Egypt, Jordan, Kuwait, Saudi Arabia, and the United Arab Emirates. American culture, at least as it's manifested in food, is pretty bulletproof. —AS TOLD TO ALESSANDRA BIANCHI

To give feedback, please write to [fb\\_mail@timeinc.com](mailto:fb_mail@timeinc.com).



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