



The furniture Bernadette Carroll and Tom Palmby sell is made from durable, sustainable hardwoods.

As Seen in February 2004 **Twin Cities**
BUSINESS MONTHLY

Out of the Wood

**CREATIVE WOODWORK
INTERNATIONAL BRINGS
CASUAL FURNITURE
TO THE U.S. FROM VIETNAM.**

Tom Palmby cheerfully admits that when he founded Minneapolis-based Creative Woodwork International two years ago, “I did it the opposite of how you’re supposed to start a business.”

A former Cargill executive, Palmby specializes in developing businesses that source goods produced in emerging countries for U.S. consumption. In 1999, while traveling in Vietnam, he happened upon a casual-furniture manufacturer that was highly efficient. “The quality of production and the employee working conditions were basically like something you’d see in Chaska,” he recalls.

The furniture is made from balau (pronounced buh-LOO) and eucalyptus, Southeast Asian hardwoods that can be sustainably harvested. Teak, long the standard for outdoor furniture, has become increasingly scarce. According to Palmby, eucalyptus is as strong as teak, and balau is stronger and more durable.

Convinced that the plant’s handcrafted tables and chairs would be received favorably in the U.S.—they were already being sold in Asia, Europe, and Australia—Palmby sent two

40-foot containers of furniture to be stored in Roseville. This was before he had any buyers.

Happily, he found a sales and marketing veteran to help him—Bernadette Carroll, who came on board as president. She soon noticed that in the \$3.5-billion outdoor furniture market, buyers had only two options: high-priced teak or low-cost, low-quality plastic or aluminum. That meant, she says, that “there was a market void in the middle for a high-quality, affordable wood product. In my mind, that gap represented a huge opportunity.”

Carroll started by targeting small specialty shops—retailers not involved in casual furniture, but for whom such furniture would be a natural fit. Creative Woodwork International now offers more than 80 styles of tables and chairs, and supplies customers in six states. Besides its specialty-retailer base, it sells products nationally through Marshall Field’s online and catalog divisions.

All told, it looks as though Palmby’s wrong-way business could be heading in the right direction.

—Andrew Bacskai