

Fresno-based almond butter maker sees rapid growth

By Robert
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Barney Butter, made in Fresno, is one of the nation's fastest growing almond butter makers. Video: John Walker THEFRESNOBEE

Barney Butter, a local company that was launched in a mother's Fresno kitchen, is enjoying a surge in growth as the popularity of its almond butter spreads across the country.

Founded in 2006, the company's rise has been fueled by consumers' growing appetite for healthy and nutritious foods.

From 2010 to 2013, the company grew 661% and its revenue jumped from \$1.1 million to \$8.7 million, according to Inc. Magazine. Barney Butter was mentioned in the magazine's list of fastest-growing private companies in the U.S. Out of 5,000 companies, the Fresno-based almond-butter maker was ranked No. 684. Among food and beverage companies, it was ranked No. 18.

Not too shabby for a company that began as an experiment by a Fresno mother of three. Jennifer Barney said her initial motivation was to create an almond butter that her children would like. What she came up with was a smooth-textured and sweet-tasting butter that was a hit with her children and everyone else who tasted it.

"One thing led to another and before you know it, I was selling it," Barney said.

Soon, Barney's almond butter was on the shelves of retail stores, including Sam's Italian Deli & Market in central Fresno and Whole Foods' Fig Garden Village store. Over the next several years, an aggressive sales push helped the company land in hundreds of stores.

But the food company has also experienced growing pains. As its sales began to take off, the need for additional investment became stronger. Barney found investors, but it ended up costing her a large part of her equity and ultimately control of the business. She is no longer with the company, but Barney Butter's new chief executive officer, Dawn Kelley, said she has great respect for Barney and her effort to launch the natural food brand.

"It's a competitive space and to launch a brand that attracts investors is a huge accomplishment in and of itself," Kelley said.

New frontiers

Kelley took over in January 2011. Since then she has blazed a new trail by expanding sales, increasing the company's presence on social media, finding new overseas markets and creating new products.

Kelley, who lives in Maine, said she's committed to keeping the Barney Butter plant and its 22 employees on Elm Avenue in southwest Fresno. She says it makes perfect sense to operate the plant in the central San Joaquin Valley, the center of California's multibillion-dollar almond industry.

Last year, almonds became the top crop in Fresno County, generating a value of \$1.1 billion.

"We want the best quality almonds," Kelley said. "And even though we know that almonds have gone up in price, we are not going to cut corners. We have people who have been buying Barney Butter from the very beginning and we don't want to disappoint them."

Fresno County economic development officials say they wish they had 10 more companies like Barney Butter.

“We preach all the time that if we can grow it here, we can process it here and distribute it from here,” said Lee Ann Eager, president of the Economic Development Corporation serving Fresno County. “Barney Butter realized early on that this was the perfect place to start a company like this. We just need to convince others to do that.”

Kelley, who visits Fresno regularly, said the company’s growth parallels demand for almond products. Health experts say almond butter has half the saturated fat of peanut butter, plus more fiber, calcium, iron and vitamin E. Kelley said people want a product that not only tastes good, but is good for them.

“We knew very early on that if people try us they will continue to buy us,” she said.

Online presence

Kelley has pushed for a greater connection with consumers, especially through social media. The company has increased its presence on Facebook, Twitter, Instagram and Pinterest.

The added exposure has paid off, Kelley said.

“We get the most amazing feedback from our longtime customers and new ones who want to share photos and recipes,” Kelley said. “It really is amazing how much word of mouth comes from something like Instagram.”

At the time the company was transitioning from one owner to another, Barney Butter was sold in about 2,000 stores. Now, it can be found in more than 7,500 stores. Kelley said recent sales data shows that out of the top five almond butters in the U.S., Barney Butter is the fastest-growing.

The company has also opened the door to exporting, shipping its almond butter products to the United Kingdom, Mexico, and Canada.

Barney Butter comes in eight different types, including smooth, crunchy, no-sugar, no-salt, cocoa/coconut flavor and vanilla bean/espresso. The company has begun online sales of sliced almonds, whole almonds and almond flour for those seeking gluten-free alternatives. The company also processes its almonds in a peanut-free facility.

“The demand for almond products keeps growing and we are seeing more people starting to cook with almond products, so we want to be able to provide that,” Kelley said.

Research and development has become a big part of Barney Butter’s growth plans. Kelley said the company is continually developing new products to try and stay ahead of the competition that now includes some of the major food makers in the nation.

“We believe in almonds and we really want to support our local growers,” Kelley said. “And we want to continue making innovative products.”

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