



STEVENS VAUGHN



RODNEY CONE

decades ago. It's time to stop complaining. This is not just a business; it's a lifestyle. Our problem is we divorced the lifestyle part from the business. Most of the people who make and sell our beautiful products don't even use them. How can you sell dinnerware if you don't use it and love it?

Stevens, we know each 25 years already and I do believe our very first conversation was about this exactly. About having passion for the products we make and sell.

SV: I have a great passion for the dinner table and what's on it. On the farm one of my jobs was setting our family table every day. My mother and grandmother had a tradition of treating the dinner table as sacred so I did too.

Do you remember tables you set in your youth?

SV: Yes, of course. I loved using giant bouquets of delphiniums as centerpieces. I used crystal and silver and starched linen napkins. I credit my mother and grandmother for my passion. Our farm had a rich food life; we raised cattle and sheep and chickens and ducks, so I knew about living with abundance.

The Kaldun & Bogle partners bring an exciting yin/yang synergy to their almost ten-year-old collaboration. With a wealth of experience and expertise in product development, business management, sourcing, retailing, and marketing, this dynamic duo lives by the credo "Do well by doing good," a refreshing mantra during these dog-eat-dog times.

BY AMY STAVIS

THE LAST TIME WE SPOKE IN THESE pages, business was much better for all of us but Kaldun & Bogle, in particular, was going through a wonderful growth spurt. How has your business been the past year?

SV: We have many accounts who are passionate about their stores and are doing okay. Others are gloom and doom and don't create the environment that excite their customers because of their frustration.

It's not difficult to understand the frustration.

SV: I'm a farmer and I come from five generations of farmers. If we went around complaining whenever there was a drought, we would have left farming





Abundance has been a central theme in your life from your farm days. But another strong theme is giving back and I believe this came from your years in the Peace Corps.

SV: I was 19 when I joined the Peace Corps and realized we can make the world a better place through service. I was stationed in the Philippines and taught tropical agriculture. I learned through the Peace Corps that you can be successful if you use your imagination. So when I came home and started my gourmet cheese store when I was 21, I used my imagination to come up with innovative marketing ideas. We were one of the first gourmet stores in Fairmont, Minnesota. I remember one very successful early promotion. If a customer bought \$100 worth of cheese, I'd go to their home for a little performance on cheese and its history. When you stimulate peoples' imagination and are entertaining people they'll shop at your store.



Kaldun & Bogle's trademark is masterful and impeccably sculptured tableware and decorative accessories. Greatly inspired by maternal grandfathers – from which their moniker comes – Vaughn and Cone are intent to bring handcraftsmanship and personal attention to those weary of a world driven by automation, technology, and mass production.

Your philosophy on life appears to have been shaped by the time you were in your early 20s.

SV: Yes, that's true, but I'm more passionate about all of this than ever before.

So how does an eternal optimist remain upbeat during a difficult economy?

SV: Although many people feel we're in the doldrums, I don't. We just need more imagination and creativity than we did before. Those who treat this as a business not a life and those who don't have their own point of view or have a negative point of view are the ones struggling and they shouldn't be in retail or in manufacturing.

So it's about thinking outside the box?

SV: Why not just throw the box away? Tabletop is not served by bean counters. Certainly the economy will bring a survival of the fittest. Even the people who made the best buggy harnesses at one time are now out of business.

Rodney, your early experiences also greatly informed your business life. You grew up on a cattle ranch in Oklahoma, attended a virtually one-room schoolhouse, and then went on to study at two of the nation's best schools, Brown and Wharton.

RC: A life-changing experience for me came when I was 15 and went to study in



worked. That's what my life has always been about. I've always collected objects associated with events in my life, all of which make up the museum of my life. I love learning about the histories of different cultures. You can study the people of Park Avenue as easily as New Guinea. I've learned that when people look for products, they're not looking for commodities. They're looking for connections. The challenge for our industry is not to sell commodities.

How interesting that Stevens is also an ardent student of cultural anthropology.

SV: Cultural anthropology and the gift industry are similar. With each, you must listen and document to be successful. I've been very interested in people and how and why they act since I was in the Peace Corps. This industry is my tribe. It's an ancient tribe with a spiritual quality since eating brings people in the tribe together.

France. I stayed with a French family who loved to entertain. We lived above their charcuterie and I was introduced to things I'd never seen or eaten before.

Another pivotal experience was when you lived in Taiwan, long before manufacturers began sourcing product there.

RC: I'd always been interested in Chinese history and I got a job as the editor of an English language magazine which helped me become fluent in the language pretty quickly. I was also a consultant for luxury goods companies looking to work in China.

After China you returned to the states, got your Wharton MBA, and then worked for a private equity company. Your career has this amazing Forrest Gump quality to it; being in pivotal places at pivotal times. It was at this time when you met Stevens.

RC: I was looking for a smaller business to be part of and Stevens had just started a company after leaving Fitz and Floyd. His technical abilities at sculpting and



Seasonal merchandise – like Kaldun & Bogle's signature Santas – comprise as much as half of all collections. In addition to the prolific holiday assortments, the Minnesota-based business has found success with roosters, bunnies, and nautical themes. Retails range from \$5 to \$300.

moldmaking and each of our connections and history in China made it a perfect partnership.

I know Stevens has always had a fascination with tabletop. Were you exposed to our industry prior to this coupling?

RC: I was. My interest in tableware started when I was very young. I've always loved strange food and strange places and studied anthropology and history to find out how people lived and

This idea is what people have to get back to. We're attracted to communal eating and it makes us feel good. That's the essence of our business. We're a feel-good business.

I've said that for years. So what are we doing wrong in how we convey that message?

SV: How can you share the beauty of our industry if you don't live the life yourself? I've been at your table many times Amy and it's always made with love. You live



what you preach, but many others in our industry don't. Look, this industry will be around in another thousand years with or without us. We're part of the oldest industry. Well, maybe not the oldest industry, but certainly the second oldest. A company that wants to survive has to accept that this is a lifestyle and anyone selling the lifestyle has to live the lifestyle. Big compa-

nies can survive by training their people to give back. It's been a mandate of take for too long; it must be a mandate of giving.

Most manufacturers will tell you all they ever do is give.

SV: I'm not talking about giving where dollars are concerned. There's a spiritual starvation. We have pseudo social network

communities that are supposed to keep people connected, but they don't. It has to be about what you give your customers, not what you take. We run our company just like we did our family farm, with integrity. Too many big businesses don't have integrity.

Are you saying we shouldn't try to reach people on social networking sites?

SV: No, I'm not saying that. We need to talk to people in the communities they're in. We have to go where they are. If they're blogging, we should blog. If they're on Facebook, we should be on Facebook. We have to get our message to them wherever they are.

So how do retailers get passionate again?

RC: One of the things good retailers have in common is it's always a treasure hunt going through their stores. Take Anthropologie; you never know what you'll see

Kaldun & Bogle animal figurines – inspired by 19th century majolica – have a vibrancy and whimsy, which has contributed to their successful sell through. “When you have a product that makes people smile,” says Stevens Vaughn, “it makes it easier for people to want your product.”



around the next corner. They have a mix of merchandise that stays true to a common theme. It's the adventure of the hunt at Anthropologie and people like that experience. People like exploring; if a store connects them to that pursuit, they'll buy the merchandise that store sells. If a company like Kaldun and Bogle wants to grow we have to incorporate our merchandise into exciting stores like Anthropologie.

SV: I've always said that if you really listen to accounts you'll know what they need so you'll know what to make and what will sell.

Stanley Marcus believed the same thing. He was a mentor of yours.

SV: Yes he was. So was Mildred Motahedeh. How we've changed from those glamorous days. We don't invest in people on a personal level anymore. Everything is so politically correct people are afraid to get close.



Despite the troubled economy Kaldun & Bogle has stepped up product development in a big way. "Almost half of our line is new this year," affirms Stevens Vaughn. "New has never been more necessary and represents 60% of our sales." Adds his partner Rodney Cone: "It's been a great year for us because so many other producers aren't bringing out new product."



I know there are still companies with integrity and people who love what they do.

SV: Happily, there's a whole group of great suppliers and great retailers who understand that this industry is a passion, not an occupation.

RC: That's right. At the end of the day, the product must be fun and relevant and we can't take it too seriously. When you get too analytical you lose the joy and spontaneity.

I know you both professionally and personally. What I see in you is a seamless partnership and an effortless give and take.

SV: The hardest thing for entrepreneurs is loneliness; often, there's no one to talk to. Rodney and I make a great team because we each bring different strengths to the company.

RC: Stevens is a prolific product developer. He has taken the craft of sculpting figural pieces to new heights. That's why

we created Kaldun & Bogle, to get really high quality, affordably-priced products in the marketplace.

Your designs are beautifully inspired by 19th century majolica.

SV: I love the glazes and the vibrant colors of this kind of majolica.

Tell me why your business has been good during a depressed economy.

SV: We're interested in what the customer needs, not in what we want to give him. We're in touch with our stores consistently. We call; we visit. I've discovered that many retailers opened a store because they wanted to be their own boss instead of wanting to invite people to the table. I always encourage our accounts to start at home. To use the products they sell. To set tables and be creative. To serve coffee and cider in their stores. To smile. To say hello.

RC: And just leave the economy at the door.

SV: That's right. Just smile. That customer has as many problems as you have.

RC: They're coming into your store for a break and to relax and have fun.

SV: And that's where Kaldun & Bogle comes in. Retailers need visual drivers in their stores, items that set their space apart. Our large pieces are needed to create the drama for their stores and are essential for selling volume drivers. What's better than a Kaldun and Bogle centerpiece on a table to create that effect? That's why it's important that retailers advertise these kinds of larger pieces, which also sell by the way. We have



expert engineering and we know how to make quality figural pieces which are extremely difficult to make.

Have you slowed down product development this year?

SV: Just the opposite. Almost half of our line is new this year. New has never been more necessary and represents 60% of our sales.

RC: It's been a great year for us because so many other producers aren't bringing out new product.

How are you affected by recent changes in China?

RC: China has gone through currency fluctuation, inflation, and uncertainty with trading

partners. Fortunately for us, because we've been there for so long we have good and strong relations with factories that have credibility. We work with six factories, two of which are exclusive to us.

Last time we spoke private label was a growing category. How's that going?

RC: It now represents 40% of our sales and continues to grow. Our sculpting studio also makes branded product for other companies. A variety of big names come to us because we're a reliable supplier.

It's one of the comments I've heard repeatedly over the years.

SV: We believe in being good friends to people in business and in life. Ultimately, it's our choice to set a table of sweetness or bitterness. Whichever we choose says everything about who we are and how successful we'll be. □