

Sheri Schmelzer

Jibbitz

Lorin: Sheri, I'd love you to tell us the story of how Jibbitz came to be. How did it happen? I have read your story a couple of times, but I want to hear your version of it.

Sheri: Okay. Well, it was a rainy summer day. I have three kids, two girls and a boy, and I was trying to figure out something to do for the afternoon. The shoes called Crocs™ were all the rage at that time. My kids had four or five pairs each – all just thrown by the back door. It used to drive my mother crazy when she came over. You couldn't even open the back door because there were 50 pairs of Crocs™ there!

Lorin: Wow! Literally?

Sheri: Really, literally. My husband and I wore them and all the kids wore them, so they all ended up by the back door. My eldest daughter Lexi brought out her sewing kit, which was overflowing with buttons and just a ton of stuff. We were sitting around the table and I picked up one of Lexi's shoes and I stuck this little tiny silk flower in one of the holes. It was a red silk flower. I showed it to her and I said, "Oh, wow, look how cute this is!" She said, "Actually, that's really cute!" So, then I just started pulling all of this stuff out and tried to make them stick inside the holes. Some were stickers so they obviously stuck on the top and the girls were fighting over them! They were like, "Well, then I want that! That's my shoe! No, I want this red one...I want..." and I was like, "Oh, my gosh!" Then my three-year-old son got in the mix and he didn't care that they were flowers or Barbie dolls or what they were, he wanted his Crocs™ separated! So, by the time my husband came home from work, we ran to the front door and we all had our Crocs™ on and I said, "Look honey, we're accessorizing our Crocs™!"

Lorin: And what did he say? "Brilliant?"

Sheri: Well, you could just see this light bulb just go off. He's a serial entrepreneur. I just looked at him and he looked at me and he said, "Uh, the kids are not to wear them out of the house. Don't let anybody see this."

Lorin: (Laughing)

Sheri: I knew immediately it had started. I was like, "Oh, okay, what's happening?" Then we put everybody to bed and we talked about it that night. He said, "Sheri, I

really think you have something here. I mean, if we can come up with something that actually stays in the holes, we can file patents, we'll file trademarks, and once that's all done, you let the kids wear them to school and the kids can be our sounding boards.

Lorin: Exactly! Oh, my gosh!

Sheri: So, that's exactly what we did!

Lorin: I get goose bumps hearing this story.

Sheri: I know, and I still get goose bumps telling it, which is kind of fun because it's been three and a half years. But anyway, that's what we did. We filed all the paperwork and we kept it "hush-hush" and once all of that was done, I came up with a very archaic system of what we ended up actually using, but it actually worked. It stayed in their shoes and they wore them to school.

Lorin: Was that like a couple of weeks later or a couple of months later?

Sheri: I think it was like a month and a half. I can't really be sure. You know, all you have to do is file it all and get it on record.

Lorin: Exactly.

Sheri: So, we just wanted to make sure that all of that was in place before they wore them in public, and that's my husband's business side coming out, because I would have just said, "Hey, that's cute! Wear that!" Then they came home from school and it was just chaos.

Lorin: Everybody wanted some?

Sheri: Everybody wanted them and their girlfriends wanted them and, at that point, I was just making them for the kids. I had covered the pool table with that little thing that you cover it with when you want to put something on top. I had the super glue and materials to make them for the kids. Within a couple of days, all my supplies were gone! I had probably made a hundred of them at that point and everybody was wearing them. I think Rich and I knew then that we had a business and that we needed to stop. It was no longer about me making them for the kids. We needed to figure out how we were going to make this business run.

Lorin: And how did you come up with the name Jibbitz?

Sheri: My husband has a nickname for me, which is flibbertyjibbit. It came from a movie we saw long ago called *Joe Versus The Volcano*. The definition is someone who talks a lot! I have always loved the word but thought it was too long for a

business name, so I shortened it and added a Z at the end for Jibbitz. That is how the name was born.

Lorin: Love it! Thanks for sharing that story with us!

Lorin: So many women have grand visions for a business and, at the beginning, you really didn't have a vision for it, did you?

Sheri: No.

Lorin: At the beginning it was sort of a perfect accident.

Sheri: It was! You are right! It was a perfect accident.

Lorin: As I have interviewed so many successful women for this book, I've found that's it's about 50-50. Some women have an amazing clear vision and they've met it, and they are there and then some. Other women have a very similar story to yours. It was almost a mistake, or it was out of desperateness that a business was started. It was like, "I have to make money, so what am I going to do?"

Sheri: Right.

Lorin: So, I am curious. When did it transition from this fun decorating the Crocs™ with flowers to there is a vision for a business here?

Sheri: It almost happened right away. For me, I guess as a stay-at-home mom, it took me a little longer, but for Rich, I think he knew right away. I saw it on his face, and then I think that once the kids started coming home from school saying, "Well, I have to have four of these and five of these. She wants those and she wants that." I was just started looking at them saying, "Really? They do?" That was kind of the light bulb moment for me. Then I knew that this wasn't going to be just a little craft, this was going to be a business, even though I didn't know what that was going to look like, obviously. But I knew that it was serious.

Lorin: There is a key word you are using that I think is important to you. It's that, "*You knew.*" It was like something inside of you *knew* that this was a big deal.

Sheri: Yes.

Lorin: So, that is your great women's intuition or his intuition, too, not to say that he didn't have it also. It sounds like he *really* had it and knew that this is a really great business idea.

Sheri: Yes. It was a beautiful feeling, actually.

Lorin: Can you tell more? Can you describe it?

Sheri: I don't know if can. For me, it was so very different from Rich's experience because I went to college and got a degree and, after barely starting a career, got married and started having babies. And now this! I was a stay-at-home mom. I never thought that I would be working. I never *wanted* to be working. I wanted to raise my children and to be there for them. So....

Lorin: Correct me if I am wrong. The story continues that within a year you ended up selling to Crocs. Is that right?

Sheri: Yes.

Lorin: So, it was very quick.

Sheri: Looking back on it now, it's like a whirlwind. It's hard to even remember. When I do interviews and exact dates are wanted, I am like, "Wow!" Everything happened so fast, you know?

Lorin: Did you set goals along the way or were even the goals setting themselves? You may have to think about it. How did that happen from a goal perspective, from creating a business from it, and then making it so that it functioned out on its own? Did you ever think about goals for your business? Or, did you need to?

Sheri: I thought about goals. My goals were different from Rich's. Rich's goals were strictly business goals. If we are going to do this, then we need to make sure that we have enough products; we need to make sure that it's safe; we need to make sure that people are satisfied. My goals were more like if I was going to be doing this, then I needed to make sure that there was integrity behind it, that moms are going to go out and buy this for their children. I wanted to be sure, it might even sound silly, I don't know, that the designs were cool and that there was something for everyone and....

Lorin: That doesn't sound silly. That's your role!

Sheri: Safety was a huge factor of mine, because they are so small and they can't fall apart. For me, my fears and hopes and dreams were all wrapped around, "Am I putting a product out there that is worthy of being sold, of being bought?"

Lorin: So, yours were more were more around quality and safety and cuteness and fashion, which is perfect! I mean, that's part of the reason that it worked!

Sheri: I think so. We've always said that there was a clear division of power between the two of us, even once we got to the point where we had all of these big offices and everything. My office was on one end and his office was on the other end. We

made all the walls glass, so we could see each other, but we just dealt with two totally different sides of the business.

Lorin: Within a year, you had a large office space?

Sheri: We did! We found this really cool warehouse space and we gutted it, renovated it, and made it just this really neat place. I mean, it looked like Jibbitz, with all the bright colors, and that was just great.

Lorin: Did you ever envision that before it was there?

Sheri: No. We stayed in the basement of our house for probably three months. Then, around that third month mark, we received our very first shipment of manufactured products, stuff that I didn't make myself, and it got delivered to our front door. There were 100 boxes that said, "Jibbitz" on the outside and it just looked so real! I couldn't believe it. There's the UPS guy and "ding dong" the doorbell rang, and I was like, "Oh, my gosh! This big?" I was freaking out on him. I had to call Rich at work and I whispered, "Guess what?" I think we sent out not even half of that product before we moved into a small set of offices on the Pearl Street Mall here in Boulder.

Lorin: Wow!

Sheri: It was very difficult for me to stop working when the business was in our house. Two of my kids were barely in school.

Lorin: Oh, so you found it hard to leave your basement, because you were addicted to the process?

Sheri: I was! I just became... I don't know if I was obsessed or not... but I had two young kids at home and one that came home at 11:30 a.m. I'm a stay-at-home mom and I was in the basement making Jibbitz. But, of course, I played with them and I did their thing. I fed them dinner and put them to bed and then I immediately went downstairs. I would get up early to see if I could get a whole bunch of stuff done before anybody else got up and, after three or four months of that, Rich actually had to pull me aside and sit me down. He said, "Okay, we have to have a talk, because you are obsessed and you can't work like this." You know? And I was tired, but I was having so much fun!

Lorin: Yeah! What was the matter with it from his perspective?

Sheri: I was *tired*. I wasn't working out anymore or doing any of the stuff that you do for yourself. There was no balance. No more pedicures, no more girls' nights out. It

wasn't because I thought, "Oh, my God, I've got to go downstairs and work! I wanted to!"

Lorin: You loved it!

Sheri: I loved it, but I didn't know how to separate the two. I didn't know how to say there's time for motherhood and then there is time for work. And we really were outgrowing the basement. You couldn't even see the pool table. The basement was where we used to go down and watch a movie together when the kids went to bed, but I was not going to go down there and watch a movie when I saw all of that stuff sitting there, because I wanted to work!

So, that's when we moved out to this small office space. It was probably about 700-800 square feet, which I thought was huge. Then, geez, we weren't even in there for three months and it was too small. By that time we had five employees. Inventory kept coming in, because the orders kept coming in. It just wasn't enough space.

Lorin: What was this thing that had you get back in balance? Was it physically moving it out of your house or was there something else?

Sheri: Physically moving it out of the house helped a lot, but then I also think it was Rich sitting me down and giving me a reality check. It was like, is this going to be your life? Do we need to get someone to take care of the kids or what's happening?

Lorin: He asked some good questions to have you consciously get that.

Sheri: He did, and I think I cried. I was like, "I want both! I want to be here for them and I want to be the mother and I want to do this Jibbitz thing, too." Then, he said, "Well, then we'll make both happen." I think that getting it out of the house was fifty percent of it.

Lorin: Yeah. So, it was about you getting conscious about where you are spending your time. It was just about regaining yourself, because you'd gotten really sucked into it.

Sheri: I did.

Lorin: It doesn't seem like it was about the money, so what was it about?

Sheri: No, we were actually *spending* a lot of money then. You know what? I never even thought about the money. I guess that was Rich's side. Once both of us realized that this was a business, then we had another one of those talks. We sat down at the table and said, "If we are going to do this and if we are going to do it right,

we've got to have our home equity line, which we'd never done before and make a serious commitment." I was like, "Well, how serious? What are we talking about here?" Because that was our emergency fund if we ever needed it, and we'd agreed that we would never tap it and so we talked about it. He said, "Do you think that this can be really cool and successful?" I said, "Yeah, I do." He said, "Then, so do I and I want to do this." I said, "Me, too!" And, we did it and I never looked back. I really didn't. That's funny. I don't know if I have ever said that out loud.

Lorin: There was a commitment that you both had and it wasn't about the money. It was a commitment to the vision.

Sheri: It was.

Lorin: So, in that moment, your husband asked a very important visionary question. Because I believe that somebody funnels a vision, but a lack of commitment to it. Because I believe that having a vision is great, but vision without commitment can go nowhere.

Sheri: I agree with you. But, I also think that there was so much passion behind this idea. I guess for me, it felt like it was for my kids. Because without them I don't even know if I would have been wearing Crocs™! I was doing it because they were doing it. Without them, it would have never happened, and so I felt like they inspired this really cool idea and I was just committed.

Once this got started and my kids could see the orders flying into our home fax machine and doing all of this stuff, they were proud. I could see it and I wanted my girls, especially my girls, to see this. They'd say, "Wow! Look at this." Lexi used to help me glue things together... She was having fun and getting involved and would tell people, "Yeah, my mom makes those Jibbitz." They were just so proud! When I went to bed at night, tired or not tired, I would think, "I am going to make this work for me for one reason, because I want to see it succeed and I want to know inside myself that I can do this." Something fell in my lap and I am going to make this happen. I wanted my kids to see the success of the whole thing. I wanted them to see their Mom successful and to see the commitment that it took. Yeah, sometimes we didn't get to get on our bikes and ride to the park, because I had seventeen orders I had to get out. I'd ask, "Well, do you want to come in the basement and help me?" And she'd say, "okay" when she really wanted to do was go on a bike ride, but we were doing something together and I was like, "Yeah! High five!" Of course, then it was too late to get on our bike and go to the park, but I think the commitment and the drive to see it succeed was invaluable to them, as corny as that sounds.

Lorin: No, that doesn't sound corny at all. I think it's important! You're looking back three years now? How long has it been?

Sheri: Yes. We retired on August 9th, 2008, which was three years to the day that we launched the company. It is also our wedding anniversary, which is why we chose August 9th.

Lorin: What I am hearing is that there were a lot of reasons that you were so committed and they were not the typical reasons. It wasn't about money. It was more about the values of what you were trying to teach, and also to show yourself, "I can do this." Am I right?

Sheri: Yes.

Lorin: What was the most important thing you learned from this experience?

Sheri: I think that it gave me self-confidence, which I never really felt like I had enough of. I had as much as I needed to be a stay-at-home-mom, with a marriage and family therapy degree by the way, and then, all of a sudden, within months, I was in the circle of executives for Crocs™. It was just overwhelming and I was scared to death! That's the part where I discovered, "You know what? I *can* do this. I am *going* to do this." My first big interview was on Oprah! To walk out on that stage, I needed oxygen!

Lorin: I'll bet you did!

Sheri: Yeah, so I think that one of the main things that I carried away from this whole experience was a deeper sense of self-confidence, to the point that now I can say, "You know what? If you want me to go into a room filled with Bill Gates types, well, okay...I can do that."

Lorin: A lot of people come into our Big Fish program and say, "I want to gain confidence." When you said, "I am going to do this..." and you followed through with every step that it takes to get to that end, you gained confidence.

Sheri: Yes, I did.

Lorin: So, now you can take that to something else, whatever it is... something in your life that you want to do next, business or not.

Sheri: And there *is* something! Yeah! That's funny, because it's something that I have always wanted to do and never did it.

Lorin: And what is that?

Sheri: I am writing a series of children's books.

Lorin: Oh, cool!

Sheri: They're based on ideas that I had when I started having children – stories that I would tell them. There will be four books. Now, my oldest is eleven and I have always wanted to do it. It's always been sitting on the corner of my laptop, that little button there that I know exactly what it is but I never did anything about it.

Lorin: So, why now?

Sheri: Because now I feel like I can!

Lorin: Exactly!! It's trusting yourself.

Sheri: Trusting yourself is big. I agree with that. It wasn't just one event, it was a series of all of these little events over the last three years. I don't even know how to describe it. From the start, every day that I got up and went to work and came home was different from the next day. I even remember my Dad saying, "There is something different about you." He noticed it. I'd say, "Really? I'm busy, I'm this, I'm that, making jokes." He's like, "Nope. I don't think so." We have talked about it and he talked about what he saw happening in me, and how proud he is of me.

Lorin: You made a commitment to do something and you did it.

Sheri: I did it! And I did it big!

Lorin: And you did it *really* big! But, I think that's what so many women struggle with. They make a commitment and they don't follow through and it's what separates successful women from unsuccessful women. In my opinion, it's like the main ingredient.

Sheri: I agree with that, but I also have to say in their defense that this could not have gone any better. It was just this one thing, this one idea... and right afterward we started selling them to consumers. We did this really cute website and stuck them online. Two days later were featured on a local news station and that just exploded things. Even though it was a local station, we were organizing five or six hundred orders a day!

Then, two weeks later, my daughter ran into Duke Hampton (one of the founders of Crocs™) at the pool! She was there with my dad. Duke was like, "What do you have? What is that on your Crocs™?" She says, "They are Jibbitz and my Mom

makes them!” So, he gave my Dad his card and said, “Have your mom call me.” He and I have since become really good friends.

My dad had taken everybody to the pool so I could work, of course, and when they came home with this card my jaw just dropped. “He wants me to call him? Are you kidding me?” So, we set up this meeting. I walked into this board room with all of the executives at Crocs™ – Ron Schneider, Duke Hampton and all the big wigs, and then there was me, the mom. It was just like, “Oh, wow!” I think I could feel the sweat coming down on my stomach.

Lorin: It was one more time though of, “I am going to call him and I did!” You kept one foot in front of the other, and thought I’m going to do this and then I’m going to do that.

Sheri: Yes, no matter how scared or frightened, no matter what, I was going to do this.

Lorin: There is such a level of commitment in your story – commitment and just continuing to walk forward, no matter the fear.

Sheri: No matter what. That’s right, but there were definitely some down times. I mean, there were some times before we got the design right and we were already selling them and we were getting complaints that they were falling apart and I just broke down. I was like, “Oh, my gosh, this can’t happen! What are we doing?” Rich was like, “Hey, do you think...?” What did he say? It was something about the Apple computer. “Do you think their first version was their best version or do you think it got better over time?” He was trying to talk to me and I’m just thinking about all of those people who had bought all that of product that fell apart and I just couldn’t deal with it. He was more calm about it and just said, “We are going to make it better.” That’s why customer service is my focal point. If somebody called me and said, “Wow! I just bought this for \$1.99 and it totally fell apart.” I would say, “I will send you a new one.”

Lorin: Wow! So there was a huge commitment to service.

Sheri: Really, big time. It kind of goes to what we were talking about earlier. I didn’t want a product to be out there that was mine that people were not happy with.

Lorin: I am curious, along the journey, what has been your personal biggest struggle?

Sheri: (Laughing) Motherhood.

Lorin: That was an honest answer. In other words, balancing the two?

Sheri: Balancing the two, yeah.

Lorin: How did you figure it out or haven't you yet? Because you are no longer working, right?

Sheri: That's right.

Lorin: Okay. So, did you ever figure it out while you *were* working?

Sheri: Yes, I did, but I am a perfectionist and if I am going to do something, I want to do it all the way or why bother? Which is why even though I had all of these ideas about a career, when we decided to have children, I thought, "You know what? That's going to be my commitment, because it means something," and with my degree in psychology I know that, and I wanted that to be my commitment. I wanted to look back one day and say, "Hey! We did a good job." Then, when this whole Jibbitz thing came about, it was kind of the same – all or nothing, baby. But then I was stuck in limbo for a while, saying, "I am not doing either one of them well."

Lorin: So, it sounds like at some point that you did do both well.

Sheri: I did. I think it was about midway when the company started running more smoothly. We weren't in the start-up phases of it, so the start-up time, although quick, was really difficult because both sides of my life required so much time. Then, once the business was up and running, things were flowing. Our design was right, orders were coming in, we were hiring people and somebody else was packing them. Once things like that started to happen, which I would assume would happen in any business once you get it up and off the ground, then I felt like I could get up in the morning, get my kids ready for school, drop them off, have a great day at work, and be home to pick them up from school. All of a sudden, there was enough time to do everything the way that I wanted to do it.

Lorin: I am curious about your relationship with your husband and his role in this process. What was his role, as the company was doing its thing, to help keep you in balance?

Sheri: He was totally behind the scenes, but he made up the entire infrastructure of the company. He was the President and CEO. He hired the right people for the warehouse and dealt with the people overseas and the business side – the "not fun side" is what I used to call it. He did the "not fun side." He handled the mechanics, the financials, payroll and making the business run.

Lorin: Okay, and that's important. It sounds like he was really like the grounding person. When your feet got off the ground, he came back and regrounded you.

Sheri: He did.

Lorin: And that's very important, too!

Sheri: Yeah. Well, he's a gorgeous person. We definitely had friends say, "You guys are going to work together? Are you serious?" We'd say, "Oh, yeah. We'll be fine!" And it *was* fine. I mean, I loved it, actually! Because I got to see him all day and then we would come home and have family time with the kids versus him going off to work all day and me being here! So, it was great! I loved every single minute of it.

Lorin: What would you say you learned from your kids through the process? What did they teach you?

Sheri: Patience is a big one, and then they gave me a boost of confidence as well, because even though I would feel regretful sometimes that we weren't able to do something that they wanted to do, they were cool about it. They were like, "It's okay, Mommy. You know, Jibbitz is really cool."

Lorin: Yeah, really! So, you are all done with work?

Sheri: I am all done with Jibbitz, yeah.

Lorin: But you have a new vision emerging.

Sheri: Yes, an old vision with new life.

Lorin: And it has new life because of the confidence that you've gained.

Sheri: It does! I think the fact that I actually saw this business happen had a lot to do with it. I saw it start from an idea, which is like my books, and grow into a full-blown business, and progress to this amazing pay-off. I actually got to witness the fact that it succeeded, which gives me the confidence to try it again! And whether it succeeds or not, I'll still be writing the books and my kids will have them.

Lorin: Yours is truly a great story, and I love the fact that it's resulted in inspiring a whole new vision and a whole new business, which allows you the space and freedom and flexibility to do it now truly on your time. So is there anything else you'd like to share with the women who will be reading this book?

Sheri: I think the biggest thing is just balancing the motherhood and businesswoman side of it all, and that it *can* be done. I have had girlfriends who tried to start a business and they could never define the business side and the family side and they gave up. I guess my message is, "Yeah, it's really hard and it sucks sometimes, but I really, truly believe that you can have that balance and you can make it work."

Lorin: I believe that, too, and that's the reason for doing this book. I believe that we can create huge value in the world, contribute to it, make it a better place, *and* raise a family.

Sheri: Yep, I totally, totally agree with that.

Lorin: I am so glad to hear you say that and I am glad to hear that you are off to do new things!

Sheri: At forty-three years old, I have more confidence now than I ever had before. I love it! It's me!