

# Naturally Advanced Technologies officials say their fiber could change apparel production

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Thomas Boyd / The Oregonian

*Ken Barker, left, chief executive of Naturally Advanced Technologies, Inc., and Jay Nalbach, the company's chief marketing officer, are building a market for flax-based fiber that could alter fabric production for several uses. Barker and Nalbach, shown in the company's Lake Oswego offices, are leading a Vancouver, B.C.-based company that was founded in Victoria, B.C., and whose stock is traded on the Toronto Stock Exchange.*

Ken Barker hands over a piece of cardboard with fabric swatches attached. Barker is delivering his feel test, challenging his subject to detect the difference between cotton-only pieces and those with a combination of cotton and "Crailar," a fiber derived from flax stalks.

Barker, chief executive of Naturally Advanced Technologies Inc., the makers of Crailar, has touted the fiber's benefits to provide protection against volatile cotton prices. Crailar also has a much smaller ecological footprint than cotton's, his company's research shows.

And Oregon -- from the company's Lake Oswego-based managers to Willamette Valley farmers -- are expected to play a key role in growing Crailar from seedling concept to harvested game-changer.

Barker has convinced the likes of Target Corp., Levi Strauss & Co., HanesBrands and Carhartt that Crailar could make a difference in production of fabrics and apparel.

Crailar has partnered with those companies and others to produce or test Crailar for a variety of products. Naturally Advanced announced Thursday that Target has entered a development and supply agreement to evaluate Crailar in the retailer's domestic textiles category such as table linens, window treatments and towels.

"Nothing speaks more to the continued demand for Crailar than our announcement this morning that we have partnered with Target," Barker said in a conference call with investors.

While Naturally Advanced has had success securing end users, company officials now say they need to line up raw materials.

Barker has courted farmers in the Willamette Valley to commit acreage to a crop many have never grown. History has also given some farmers reason to be wary, after an ill-fated mid-1990s flax push.

For the past two months, Barker has met with officials from Oregon State University, the Oregon Department of Agriculture, the Oregon Business Development Department, the Oregon Seed Council -- and with farmers -- about the company's plans.

Naturally Advanced wants to enlist farmers to plant up to 15,000 acres next spring to be harvested next summer. That could be a prelude to planting more acreage, setting the stage for possible construction of a production facility in the Interstate 5 corridor.

For now, the company is relying on 4,000 acres planted in South Carolina to

provide the initial fiber batch. A Kingstree, S.C., plant will process the crop.

The company also has plans to secure farmers' commitments in Maine. Those sources, combined with production in western Canada, would give the company a continual, 12-month flax fiber supply.

Securing Willamette Valley farmers for planting next spring is "going to real difficult," said Tom Silberstein, field crops agent for OSU's extension service. "I don't know if it's going to be impossible."

Besides the condensed time frame, some farmers also remember a sour flax-related experience about 15 years ago when they grew the crop but the promised purchaser didn't materialize.

This time, though, farmers have been reassured by Naturally Advanced's stable of commercial clients, said Dan Curry, OSU's director of seed services.

Barker, a one-time apparel manager for Adidas America, is confident that Oregon farmers will eventually commit to growing flax for Crailar though he acknowledge the challenge of next spring's timeline.

He's looking for a commitment, if not his reaction in 2002 after his introduction to the Vancouver, B.C.-based founders and the Crailar enzyme separation process.

If the technology does what's expected, Barker recalled telling a business associate, "it will be a gold mine."