



Wednesday, April 9, 2025

Robby Ringer, Co-Founder, Bivo

1. Our Business Story

- Bivo is a Vermont-based business that designs and sells stainless steel, high-flow, non-squeeze water bottles for cyclists and active individuals.
- We were founded in 2020 with a mission to reduce reliance on plastic and offer performance-driven, sustainable hydration alternatives.
- Our patented flow system mimics the flow rate of traditional plastic cycling bottles but eliminates the need for squeezing or single-use plastics.
- Based in Richmond, VT, we currently employ a small but growing team of 8 people and 3 local majority time contractors.
- We've seen steady year-over-year growth, with our products now sold in almost all 50 states, Europe, Japan, United Kingdom, Australia and South Africa. We made a significant WS jump last year when we secured a contract to enter 44 REI locations across the U.S.
- Revenue is growing annually (doubled last year and had projections to over double again in 2025.), and we're building a loyal customer base who care about performance, sustainability, and innovation. We had also projected to be cash positive by the end of this year.

2. Global Production in China

- Over 95% of stainless steel bottles worldwide are manufactured in a region just outside of Shanghai.

- Prior to starting Bivo, my wife and I had a footwear design and development agency where we helped brands anywhere from creative direction through to production. Our biggest asset at our agency was understanding supply chains and forming powerful relationships with manufacturing partners. We worked in China, Vietnam, Cambodia, Thailand, South Korea, Mexico, Dominican Republic, and the United States of America.
 - During this time we went as far as helping a partner set up a factory within the USA with the most advanced and automated footwear injection machine built in Germany. It failed.
 - After vetting and visiting 9 factories to select who would produce Bivo and doing an immense amount of research domestically I can without a doubt say there is no viable option to manufacture these bottles in the U.S. due to a lack of the necessary infrastructure, technical expertise, and quality standards. We did get one quote from a factory who could maybe make our bottle, but production cost would be at least \$50/bottle. For reference, this would require a \$200 MSRP to ensure industry standard margin requirements for specialty retailers and Bivo the brand.
 - Would we love to product in the USA, absolutely. Until that becomes viable, we must manufacture abroad if we want to make the change we have set out to make.
 - We are proud of our partner in China. As mentioned, we vetted 9 factories and selected the best one based on our values on quality, safety, and ethical practices.
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3. Tariff Impacts

- Prior to 2018, our bottles were subject to a 7.5% tariff. Under the Trump-era Section 301 tariffs, that has increased to 47% to 61% (depending on the style of bottle).
- These tariffs hit us hardest from a cash flow standpoint. On a typical 44,000 unit order for Summer, our tariffs have gone from \$44K to \$208K - an amount we simply don't have. We will park goods in China, ship them direct to Japan, Europe and the UK to avoid tariffs and manage cash flow. However, the amount of planning, chaos and turmoil this is putting Bivo through is staggering. The USA not only has the largest market potential in the world for Bivo it is our home, where our team is based, where we can make change. However, with these tariffs the USA is not a viable market for small businesses to exist.
- The impact to cash flow for small business is the largest threat and there is truly only one solution; raise more capital. Yet, this comes as markets plunge and investment both institutional and private are evaporating. We had been green-lit for an increase to our line of credit through a local bank. This disappeared during the first round of tariffs and it no longer a remote possibility due to market uncertainty.

- The unpredictability of tariff increases makes forecasting and pricing incredibly difficult, especially for a small business without large cash reserves or the ability to absorb added costs.
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4. Market Reactions & Boycotts

- We've felt the direct effects of shifting political tensions in our international markets. While we are going to target larger sales internationally, we also have fears that anti-American sentiment will hurt sales.
 - Canadian retailers are backing away from U.S.-based products, citing concerns over U.S. trade policy and political climate. We had one retailer cancel orders, and have heard directly from our Canadian, German, and Benelux reps that they are getting push-back from their retailers on purchasing from American brands.
 - As the US distanced itself farther from its once loyal and trusting trade partners we worry this reaction will only become worse for American brands trying to scale globally.
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5. Concerns as a Small Business

- We operate on tight margins and rely on long-term planning for inventory and cash flow.
 - Sudden policy changes—like tariff increases or international tension—can derail our projections and strain operations.
 - As a growing brand, we don't have the buying power or flexibility of a large corporation.
 - Simply put, as a small business we don't have the cash position to weather such extreme volatility.
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6. Navigating Uncertainty

- We have investigated in diversifying our supply chain but that requires time and capital. With lack of understanding of how global tariffs will continue, we honestly see this as a waste of resources and will focus on selling more bottles and opening new markets.
- For example, our factory, the largest in the world, has a factory in Thailand. Costs run ~10% more per unit due to lack of experienced labor and lack of a raw materials supply chain. Thailand has been hit with a 36% tariff, which is ~10% less than China and

therefore the costs are the same.

- We're carefully managing inventory, cash flow, and pricing to remain competitive.
 - We maintain open communication with our retail partners to adapt quickly and maintain trust.
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7. Solutions and Support We Seek

- Tariff relief or predictable, stable trade policies that allow small businesses to plan ahead.
 - Federal or state-level support programs to help companies diversify their manufacturing or build U.S.-based capabilities.
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8. How Policymakers Can Help

- Advocate for fair and consistent trade policy that doesn't unintentionally punish small businesses.
 - Support Vermont's small businesses through grants, education, and infrastructure to help us grow sustainably.
 - Include small business voices in trade and economic policy discussions at both the state and federal levels.
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9. Message to the Public

- Vermont's small businesses are innovative, values-driven, and deeply rooted in their communities.
- We are creating jobs, pushing for sustainable solutions, and making products that compete on a global scale.
- During times of economic uncertainty, your support—buying local, advocating for smart policy, and spreading the word—makes all the difference.