

GROWERTALKS

Growers Talk Business

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Lasting Thoughts

Gary Mangum



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This month marks Gary's last column for GrowerTalks. With the sale of Bell Nursery to Central Garden & Pet in March, Gary will be serving as a consultant, helping COO Brett Guthrie transition the business, which will also give him more personal time to spend with his family and dabble in local politics. We've truly enjoyed having Gary as part of our contributing staff for the last 11 years and wish him the best in his new adventures. We'll be seeing you around, Gary!—JZ

When Chris Beytes asked me in 2007 to contribute to a periodic business column, at first I declined. I told him there was no way I could put together thoughts that anyone would choose to read. Whether or not anybody has read my words, eleven years later I'm glad I took advantage of the opportunity, as it forced me to essentially make some sort of a quarterly gut check. As I look back today, the column chronicled things that were going on

in either Bell or the industry over time. "Change is Good" and "Act Like You Own It" were among my most repeated phrases.

Preparing for the future is important—something that really hit home for me a few years back when I was in the midst of a health scare. Putting a succession plan into place can be one of those things we don't want to face. Or like so many other things, it can be one of those things we'll just be sure to get started on tomorrow. At Bell, we had most of the components in place, including a strong, future-focused leader in Brett Guthrie; we just didn't have the final piece of the puzzle solidified.

It came together for us in March, when Bell Nursery was acquired by Central Garden & Pet (NASDAQ: CENT). It was the conclusion to our plan to create a successful long-term future for the business and our associates. Our business and the team we assembled over many years will serve as a new platform and growth area for the CENT business.

The Central and Bell values mesh very well and align perfectly with Home Depot's core values and the lessons we've learned over the past 25 years, working exclusively with Home Depot for the majority of that time. Joining with CENT provides additional resources of every description for the future; the Bell leadership team looks forward to continuing and expanding the relationship with Home Depot.

So now that I've described the end of the ownership journey for my partner Mike and me, and our investors for the

past 10 years, I'd like to share some thoughts about the past 25-plus years.

My long-term partner and brother-in-law Mike McCarthy and I had the opportunity to acquire Bell from my parents in the early 1990s. At that time, the business was serving several independent garden centers and two landscape contractors.

Our backgrounds came from working in my parent's interiorscape business, Creative Plantings. Starting at the dawn of that industry in the late 1960s, Creative Plantings had grown to be considered the fifth largest interiorscaper in the country, handling a significant number of newly conceived and rapidly developing shopping malls in the eastern U.S. (now closing as rapidly as they were opening), many corporate offices in the D.C. area and the majority of four- and five-star hotels. I point this out because 30 years ago I didn't know the difference between a petunia and a marigold, but Mike and I did understand business positioning and the value in building a brand. The Creative brand had been built around quality and service, and we just didn't know any better, as we quietly, but quickly pushed the young Bell Nursery team down that same path.

Very early on, we looked at the opportunity in the nursery business to differentiate ourselves. We didn't have old habits to modify; Bell could become anything. Following my father's lead, we decided our mission would start and end at growing and delivering the absolute best plant possible, every time. We talked about what we wanted to create with our blank canvas and we decided we would be about quality, service, innovation and value—in that order, but always with quality as a required given.

The multi-pronged focus would fully guide us as we built the business. The focus on the people side of the business and developing what eventually became "Team Purple" was very deliberate, and we knew we could develop methods that would position us to consistently exceed customer expectations. We expected that building our brand in a unique way, we'd create a real sense of loyalty from whatever customer base we chose to focus on. We were thinking the IGC segment; this was before we knew about The Home Depot.

In an odd way, the Creative Plantings experience led us directly to the doorstep of the infamous Vincent Naab, then Home Depot's well-respected merchant (buyer/seller) for the northeast region. I met Vinny through work I'd been involved in with Dr. Bill Wolverton, author of the NASA study related to the use of plants in space in order to clean the air in the space station. As one of the young interiorscape association industry representatives, I'd become a liaison to the NASA work at Stennis Space Center and had made many trips to Picayune, Mississippi, as I got to know the Wolvertons and learn everything I could about the research.

Eventually, industry and NASA formed a partnership, and we took the education show on the road, raising nearly a million dollars the first year while walking the aisles of TPIE in Florida. Tony Costa, Mike Rimland, Bill Lyden, Joe Cialone and Dave Fell, all major Florida foliage growers, wanted to help move the state's beautiful pothos and ficus from a luxury to a necessity. The reason this has any relevance: the young buyer, Vinny, was in the audience when Dr. Wolverton, his wife, Yvonne, Don Horowitz, Vicki Bendure, Joe and I traveled to New York for the first-ever press conference about the benefits of indoor plants. This was stop one of a 10-city media tour. Vinny and others saw the results not only on "The Today Show" live from New York City, but in other cities where Home Depot did business. Sales of pothos, peace lily, bamboo palms and spider plants were increasing significantly as the public responded to the featured air cleaners at a time where sick building syndrome was getting more and more attention.

Several years later, after Mike and I acquired Bell, a call to Merchant Naab yielded a relatively quick greenhouse visit and opportunity to meet at his New Jersey office. A bond based on an early feeling of trust and a mutual love of quality plants began to develop.

Vinny told us on his first visit that our New Guinea impatiens hanging basket were outstanding—he was sure they would sell. But he said the key to any long-term relationship with Home Depot would hinge on both production quality

and shipping discipline. Vinny's early direction meshed perfectly with something my father often said and we've repeated internally thousands of times: "We are only as good as our last delivery." So, as I reflect on our journey as an early and very small provider to the Home Depot through today, I credit that advice from Vinny with our success. He said it, he meant it and it's been a very important part of our strategy from day one. "Instant Impact" was born at that time and all the way along it's been predictable and crucial.

I mentioned editor Chris Beytes earlier. Chris recognized Bell in the late 1990s in a GrowerTalks article titled "The Top Eight Up 'n Comers." We were definitely rookies, but that particular article really motivated us internally to live up to the kind words and confidence we received at the time. That was not too long after we'd met Peggy VanDeWetering of Ivy Acres at Ball Publishing's GrowerExpo in Chicago. Peggy gave a presentation about a garden center service program that Ivy Acres was developing on Long Island. That session motivated us to accelerate our focus on the service aspect of the Bell business. We first thought we could help Home Depot get our limited products through their cash registers if we helped consolidate them on the sales tables, then we moved to helping with watering.

A game-changer occurred when, after attending our first California Pack Trials with Vinny, we learned that we, too, could move outside the garden gates into Maryland's parking lots. Through the efforts of a small core group of long-term Bell merchandising leaders and thousands of people who were willing to help us on a seasonal basis working with Home Depot merchant leaders, we've helped to define in-store service.

Hundreds of millions of plants have been sold through Bell, thanks to the guidance and determination of 12 people and their countless customers—Vinny, Jake, Suds, Don, Scott, Mike, Christine, Pat, Koko, Dave, Danny and Mike. I think about how many families the Home Depot customers have supported just through our enterprise and I get emotional.

We learned early that relationships matter. Taking advantage of contacts we were meeting at and through Ball Horticultural Company, we've been able to focus meaningful energy on both innovation and value for our customer and Home Depot's consumers. Ball—and most particularly the foresight and natural curiosity of Anna Ball—has helped us remain focused on relevance and innovation for 25 years. Ball has always seemed to attract the best minds in the business, and we've tried to take advantage of those resources.

Overwhelmingly, relationships we have developed through the industry have contributed more to our business than anything we could possibly do ourselves. The thousands of hours spent with other business owners and leaders have at times made me feel inadequate. There are so many good minds in this industry and so many people willing to share that I can't think of a single bad experience caused by others. "Cooperative," "sharing," "caring," "creative," "brilliant," "open" and "kind" are the adjectives that come to mind riding in the Home Depot bus caravans over the years or visiting greenhouses that belong to our largest competitors. The individuals that make up our industry are exceedingly good and giving people.

I'm excited about the future. I remain affiliated with the Bell team, but clearly no longer as an owner. I celebrate that our succession plan is now fully in place. I believe strongly that in every transaction, we've provided good value. I know the newly configured business, with CENT's involvement, will help take that value to the next level. **GT**