GROWERTALKS

Cover Story

1/15/2009

The Costa DNA

Chris Beytes



The name has been synonymous with the Florida foliage industry since the green plant revolution of the 1970s: Costa.

Founded in 1961 by Cuban immigrant Jose Costa, he and his sons Tony and Mike built one of Homestead's biggest indoor tropical plant operations. By 1992 they covered 350 acres, were doing $30 million in sales, and the third generation, Tony's daughter Maria and her husband, Jose "Joche" Smith, were being groomed to take over. Maria's younger brother Jose was at the University of Florida, earning a degree in Food and Resource Economics.

This might have turned into a boring story of yet another big-box vendor getting even bigger, with the younger generation benefiting from the hard work of its predecessors without appreciating all that came before them, except for one thing: hurricane Andrew.

The Category 5 storm, which in August 1992 tore across Homestead with 150-mph winds, destroyed 30 years of Jose and Tony's work. The family's good name and reputation were intact, but the crops, the shadehouses, the irrigation, the equipment … all were leveled. They'd have to start over.

Fast-forward 16 years. Costa Nursery is now Costa Farms, with locations in Florida, North Carolina, Pennsylvania, Costa Rica and the Dominican Republic. They have a Color Division. They have an office in China. Globally, they cover more than 3,500 acres and have a staff of 3,000. They expect to do $250 million in sales in 2009, primarily to Lowe's, Walmart and Home Depot. Joche now serves as CEO, Maria is president of the Color Division, and Jose is COO, in charge of foliage operations.

That's some leap, from total destruction to being one of America's leading nursery operations, and we wanted to get to know the people—both the owners and the staff—who made it happen. To that end, we spent two days in December getting inside the heads of the people at Costa to gain an understanding of what makes them tick. We came away with three strong impressions: 1) The owners are smart, hard-working and humble. 2) Their team is the most passionate and enthusiastic you'll find anywhere. 3) They have an almost fanatical devotion to the success of the end consumer.

Here, then, is an in-depth interview with Maria and Jose (Joche was traveling) on a wide range of topics, from the “Costa DNA” to their fear of failure. And on pages 54-55, we profile six employees who exemplify the passion for plants that permeates Costa Farms.

GT: Who—or what—has been the driving force behind Costa Farms’ rapid growth?

> **Maria:** Something gave us a clean slate, and that was hurricane Andrew in 1992. That was a life-changing event. You could argue that we started from scratch. We were, and are, a family business, and the first thing we had to do was sit down in a room and decide “What are we going to do now?”
> **Jose:** That was the big question. And that’s what separated a big portion of the family. Some people were willing to take debt, and others were not willing to take debt and leverage ourselves.
> **Maria:** So the Tony Costa branch—our dad—that nursery as it existed was split into three. Basically, everything was liquidated and split into thirds. The Tony Costa branch took off with Costa Nursery. Mike Costa, Tony’s brother, went on his own to create Mike Costa Nursery.
> **Jose:** The assets were separated. Some people took cash, some took land, some took homes … they split it all different directions. Mike and Tony ended up with the farming assets. The question was whether you were going to leverage them or not. Mike decided to grow organically, without leverage, and we just leveraged and risked the whole thing to the gills, to grow it.

GT: You were both in the business at the time?

> **Jose:** My sister was. I took a year off from college to stay and work with them, and then I went back to school. (Editor’s note: he graduated in 1996 from University of Florida with a degree in food and resource economics).
> **Maria:** You could look at [the hurricane] and say it was the biggest tragedy, but I think it was almost a gift for the third generation to come in and start with a clean slate. There was no silver spoon. There was nothing here. So we really had to learn the business from the bottom up. We had a platform, if you will, by having the goodwill of the name, and the land; but everything else we had to learn in a heartbeat, from finance, to building a team, to building a company. And the lessons that we learned—Joche, Jose and myself, and my dad—have been invaluable.
> **Jose:** I think that is what made us grow. I think that is the key. I don’t know if we would have been as successful if we would have just come in here as a $30 million company and it was just trickling right along. We were down to zero.
> **Maria:** In essence it was a changing of the guard. And it was forced by nature.
> **Jose:** It was a real wake up call. The lessons I learned during that year were probably the best life lessons ever.
> **Maria:** I really feel that set the stage for aggressive growth. And since ’92 we haven’t looked back.

GT: Did you start with basically one piece of family property?

> **Jose:** We did start with this main location right here—it was 140 acres then. But we made a lot of decisions. Since Costa Color started in 1997, we’ve become a lot more educated than we were then. We’ve learned a lot, we’ve hit a lot of bumps. We were very aggressive. We didn’t even know what we were getting into at the time. We’d buy another property and we’d grow and

> grow. We didn't realize how much risk we were taking at the time.

GT: How many businesses did you acquire in Homestead?

> **Jose:** We acquired a total of 16 businesses or parcels of land.

GT: What was driving you to get so big so fast?

> **Maria:** Our mission is to create solutions for our customers. That means we are here to be the best vendor we can possibly be. And in order to do that, we need to service their needs. So if that means going out and getting another 40 acres, or getting into the color business, we do it.

> The next big jump after 1992 was 1997, when we got in the color business. Funny story: When I graduated from UF, I had never taken Dr. [Terril] Nell's floriculture class. He asked me one day why I didn't take it. I told him, "Because I don't have to worry about annuals. All I have to worry about is indoor plants." I never took the floriculture class, and he reminds me of that every time he sees me.
>
> The point is, we never had any intention of getting into the color business. We had an opportunity, with a business that had gone under. And that was our next huge jump. That division has grown from zero to having locations in Miami, North Carolina and Pennsylvania, from which we service a large part of the eastern United States with annuals.

GT: In talking to your employees, some words kept coming up. "Passion" was one of them.

> **Maria:** I think if you were to give one word to describe us, it would be passion. That's just the way that we grew up. It's how we learned to operate in every part of our lives. Sometimes it's a blessing and sometimes it's a curse. But there's just no other way to operate. When we get into something, it's full force, charging in head first. Whether it's the family business or our kids' sports or whatever we get into.
> **Jose:** As a child, I used to love going fishing or going on a ski vacation. I'd wake up that morning and I'd be so excited to go. Well, today I wake up every single morning like I'm going on vacation. I'm going to the one thing that I want to do the most in the world. That's my passion. I love coming to work every single morning. I can't wait go get out of bed. I'm like little-kid excited. We're very fortunate that we love what we do. This is not a job for me. I mean, I'd do it for free.
> **Maria:** (*laughs*) I don't believe that.

GT: Although if you did it after the hurricane, you did do it for free.

> **Maria:** We did do it for free, for years!

GT: "Attention to detail" was another term I heard. Which must be daunting when those details are spread across several states and countries.

> **Maria:** This is a mature industry, and the profit is in the detail. It's in the last 5% of perfection. In

the ’70s when our dad and grandfather ran the business, that was gravy train time. There was very little competition and the prices were high. We are selling indoor plants today for half the price of what our dad sold them for 30 years ago.
Jose: Imagine the incremental margin on that. They were selling a plant that probably cost then $1.50 to produce, for $8 or $9. That same plant today costs us $4 to produce and we sell it for $4.30. It’s a different ballgame. Those guys could just buy the land next door, buy the land next door, buy the land next door … they didn’t know what to do with all that money!
Maria: We realize that an excellent company and a profitable company is in the details. At the end of the day, your passion has to be focused on every little detail.

GT: Where does that passion come from?

Jose: We were four siblings. And especially us two, summertime would come and we’d wake up at 6:30 in the morning and be standing outside the door waiting to go to work with my dad. So the passion started at a very, very young age.
Maria: The only way I can explain it is that it’s there. It’s like, there was no question in our minds whether we’d come into the business.
Jose: Our two siblings never even thought about coming into the business (Editor’s note: one runs a hedge fund and one is an investment banker).
Maria: I think passion is important, but I think when you look back at our family, particularly our grandfather and our dad, the work ethic was something that was just the way life is—you get up in the morning and you work your tail off until the day is done.
Jose: My brother and sister have that, too, by the way. They’re in a different industry, but they’re both extremely successful at what they do.
Maria: Hard work was ingrained in our family. It
wasn’t a chore, it was just what we do. And we take pride in being successful. And at the end of day that’s where the passion comes from.

GT: Another term I heard: Costa DNA. What is the Costa DNA?

Jose: It comes from example. People like to be part of a winning team. So all the top-level people who work here, they’re all winning guys and girls, and they go out there pushing. And as they succeed, the people who work under them say, “Hey, that could be me. I want to be a part of that.”
Maria: Part of the “Costa-ization” of the team is that we firmly believe in empowering people to make decisions. We can’t do it ourselves.
Jose: I’m only a psychologist and a coach at this point in time.
Maria: I think the real key to success in any business is being able to really empower people to make decisions and continue to build the team and to take off after our mission.

By the way, we’ve made mistakes too! That’s the difficult part of the job. But at the same time, if we’re not learning from our mistakes, then we’re not growing. So the mistakes that we make have been extremely valuable—and sometimes extremely expensive—lessons. I think Jose and Joche would agree that perhaps our most important job today is recruiting and building the team.

GT: Recruiting is every grower’s toughest job. What are your secrets?

Jose: Sometime we hire four or five good young college graduates and we have no idea where they're gonna go. We just stick them in a training program and we find odd things for them to do until positions become available. We always have people in the "bullpen," up-and-coming stars.

For instance, we have an office in China. It was started by an employee, Fabian Saenz, who was in the bullpen. He was in there a little longer than he should have been. He came to us and said he really wanted to do something special. Well, we said we had this, or that, and he said, "No, I have another plan. I want move to China and open an office, a buying office." He and I would go to China about twice a year to buy pottery, and he thought that if he moved to China he could save us money. Joche and I were sitting with him when this happened and we said, "Okay, sounds like a plan." And since then we've had people follow him. So now we have two guys living in China, we have an office, and two Chinese employees. It's paying in spades.

GT: Another word I heard: Entrepreneur. One of your newer employees, Alex Calzadilla (see page 55) told me he's allowed to run the orchid department as though it's his own business.

Maria: The key to that is accountability. If we have the systems set in place to be able to hold you accountable, and you're successful, congratulations! You can be an entrepreneur within the company.
Jose: I want to go back a second. Alex can do that, and he's compensated based on his success. But his ability to be able to know what that section of the company is making comes back to the IT infrastructure that we've built here. It's something that, growing up, I didn't understand. There is a skeleton, a frame, that this whole place runs on, that no one sees and few understand, but we never could have grown the way we did without it.
The work that our IT department has done is a huge, huge part of our success. That was the vision that my sister and Joche put in place while I was in college. They're the ones who build this computer superhighway, called SAM (Sales, Accounting and Management Information System), that runs this place.

GT: Interestingly, another word I heard was "paranoia." Are you paranoid about anything?

Maria: I think we have a healthy sense of paranoia. The one constant at Costa is change, and it's challenging. To reinvent yourself every year is tough. You can call it paranoia—I don't really like that word, because I think it has a negative connotation. I think it's constantly challenging ourselves to anticipate the needs of our clients.

GT: You can't rest on your laurels.

Maria: Not even for 15 minutes, that's how this business is, and this economy.
Jose: The bigger you are the less you can rest on your laurels, because the mistakes are bigger.
Maria: Not only are the mistakes bigger, but you're also the biggest target out there. You can call it paranoia but I call it reality. You're the biggest target and everybody is shooting at you. So everything you do you have to do well. And we at times have not done things well, so we just divest out of it.
Jose: We've made many mistakes.

GT: You seem willing to take risks and make mistakes.

> **Jose:** You know what happens if you don't do that? Your team gets unmotivated. We have the best people, so if you're not growing and giving them an opportunity to grow, they're out of here. Joche is 42 and he's the oldest of the group. We have a lot of 28- and 30- and 35-year-olds. These guys want more! You can't hold them back.

GT: Maria, what makes you tick?

> **Maria:** What makes me tick is creating a place where everybody loves to come to work everyday and everybody feels challenged. I personally am not motivated by money. It's a nice thing to have. I enjoy it. But I'm motivated by building something special. I'm motivated by having a place that people can really be creative and have the flexibility to succeed, and sometimes to fail.

GT: Jose, what about you?

> **Jose:** Winning. Winning makes me tick. And responsibility. It sounds a little cheesy, but I believe that Costa Nursery is not really ours. I tell people this: It's like a glass ball that's been passed down from generation to generation. Our responsibility is to hold it, to not break it, to not mess it up, and to give it to the next person in better condition than it was handed to us. That sense of responsibility is huge to me. Not on our watch is something gonna go wrong.

GT: Since Joche couldn't be here to speak for himself, talk about how he fits into the business.

> **Maria:** I'm biased—I think he's a great guy!
> **Jose:** My sister has been dating him since she was 12.
> **Maria:** He's the boy next door.
> **Jose:** He worked here every summer.
> **Maria:** He was actually recruited by my dad in 1992, a month before Andrew hit. He was recruited by my dad because my dad and uncle were thinking about retiring, and at that time my brother was still in school, and they didn't feel like they had a good transition team. My husband was very against joining the family business. He wanted to go out and make it on his own. Well, he was enticed to come into the family business. Lo and behold, 30 days later, he has a clean slate.
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> Obviously he's my husband, but he's really an integral part of the family. And where you hear me and my brother interrupting each other and being all passionate, he's really the keel. He keeps us centered. Jose and I are very emotional, very passionate, very driven. Joche is very driven, too, but he's even keeled. And although he's married to me, he's the one who helps us put the emotions aside and forge forward. I think he's also the one who's had a lot of the vision in different things like marketing and IT. Would you agree with that, Jose?
> **Jose:** He's the stabilizer.

GT: Jose, how you do get along with him, as a brother-in-law?

> **Jose:** In the beginning it wasn't as easy as it is now. Now we're best friends, we talk every single day. Our offices are literally next door to each other. But when we first started I was very young, I had a lot of emotions—we both did. My father played an amazing role in family management. Growing up next door to Joche, he spent his life beating me up! Literally. I was seven years younger. I was the little brother who was getting in the way all the time when he was dating my sister. But two or three years and a couple of good fights later, now neither one of us can do without the other.

GT: You mention your dad's role in family management. How important was that to your success?

> **Maria:** If it were not for my dad's insistence on being a student of family businesses, we wouldn't be here.
> **Jose:** He used to take us to family business institutes, family business retreats, make us read every family business book, how to hold family meetings, how to bring the next generations in, how to include family members … he read and studied every single book out there. And for sure, for sure, this thing would have blown up if he hadn't played that role.

GT: He knew it was important.

> **Jose:** And he knew it wasn't going to be easy. And it hasn't been easy.
> **Maria:** Our mission was always to "take care of the goose." When things got tenuous at times, he would say, "Guys, is it worth chopping up the goose? Because the goose chopped up in four pieces is dead. It's not going to lay any eggs."
> **Jose:** My father loves to camp. We had a place in the Keys where we'd camp, and any opportunity he had he'd hand the four of us each a stick and tell us to break it, and we would. Then he'd get four sticks and hand the bundle of four to each of us and ask us to break it. But we couldn't. He's say, "Together, you're going to be stronger than you would be apart."
> I believe that the key to this whole thing was my dad's vision and his ability to make us get along, how to deal with the family members who own the business and don't work here, how to deal with the family members who do work here, how to make sure that the in-laws all get along. And how to handle conflict resolution. Man, if he didn't have that vision, there wouldn't be any nursery.
> **Maria:** And it goes beyond the business. It's life lessons. He's a special dude.

GT: What do you and your dad disagree on?

> **Maria:** That's very easy. OPM—other people's money. Our biggest ability to grow has been our ability to leverage the company. My grandfather never wanted any debt. And my dad was pretty similar. But in this day and age, if you want to grow your company, you have to be able to leverage it.
> **Jose:** We still keep some of that tradition. I mean, we're not overleveraged by any stretch of the imagination.

GT: I was shown a new orchid facility yesterday and was told about a partnership with an outside orchid producer.

> **Jose:** We've done a joint venture with United Orchids Plus (Middletown, New York), where

> together we are producing orchid plants to guarantee a better spec plant for our customers. The new house here in Homestead is really a holding facility. We're working with them in New York and at our other facility in Pennsylvania to initiate the spike, and no plant will come down here for finishing that's not double spiked. That's the goal: that every single orchid leaving here is going to be double spiked (Editor's note: he says 30% to 50% doubles is all they had previously been able to produce in Florida).

GT: It would be very easy to just build the facilities and hire the experts and keep it all in-house. Why a partnership?

> **Maria:** Been there, done that, that was 10 years ago! We were the first people to bring orchids to the mass market. But that's another story.
> Part of our maturing process is to know what we don't know. And we know that we can get the expertise from somebody who's the world leader, so that's who we're going to partner with. And for us to grow, we recognize that there has to be that sort of partnership in a bunch of different areas. We're proceeding to do that.
> **Jose:** It's a very similar deal to the ones done with Mike Rimland and Alfredo Bergolla (54-55). To me, all that matters at the end of the day is what percent sells at the store. That's the goal. This business before was just about putting it in the truck and getting the check. Putting it in the truck means nothing anymore.
> **Maria:** Put it in somebody's home! Right now I'm running to my office to see how many poinsettias sold yesterday. At the end of the day, we're not even accountable to Lowe's, or Home Depot, or Walmart. We're accountable to the customer.
> **Jose:** We live and die by sell-through reports. And what is going to make those sell-through reports tick higher, from 85% to 90% to 95%? That's all we're concerned about. That's the goal of this project. How are we going to make them fly off the shelves? Double spikes.

GT: Are you still glad you chose to grow for the big boxes?

> (*In unison*): Absolutely!

> **Jose:** It could have never been done without them. We love our customers, man. We hear other growers complaining about the big box stores. Someone says they're impossible to do business with. And we just think, "Another opportunity! Great!" I mean, we are a big box provider. We provide to small customers also. But we're definitely geared toward the big boxes. So the more big boxes, the better.

GT: Do you feel that they're carrying their share of the responsibility toward the end consumer, or is more and more of the burden being placed on the grower?

> **Maria:** Listen, I don't call it a burden, I call it an opportunity. At the end of the day—and this is very important—when you really understand your customer and what they need from you to succeed, that's an opportunity. You can call it a burden, we call it an opportunity.
> **Jose:** Yeah! If other people can't do it and we can, that's an opportunity. The big boxes are not the government of the nursery business. They want to win and succeed. And by pushing their vendors as hard as they can, the winners will keep rising up. So the harder they make it, as long

as we can keep up—which we can—the more opportunities we have.

GT: There's also less margin.

Maria: That's our job to manage. To be creative. There are years there's less margin and there's years where we can figure out how to make more margin. This has been a tough year. Fuel prices throughout most of this year were extremely burdensome to our industry. Our costs in almost every area went up. Minimum wage increases made all of our costs go up. But guess what? That's just an opportunity to be more creative. That's what separates a good company from a great company. You can sit here and complain, or you can ask how you can take advantage of the situation.

GT: Do you worry about the chains deciding to get out of livegoods?

Maria: We worry to the extent that we don't give them any reason to do so.
Jose: That's exactly the point. Right now I'm not worried about it because I know that our programs are successful in their stores. But if they weren't successful I would be worried about it. And when we have programs that aren't successful we eliminate them. We don't even wait for the stores to tell us. We go to them and tell them it's not working, let's not do it any more. We don't get caught up in all the, "Oh my gosh, we've been doing this for 20 years!" No, we change it. We have plenty of other programs. We'll put something else in that is successful.

GT: Logistics is the toughest thing big box growers face: How do you get all that stuff to the stores?

Maria: It's not just how do you get it to the stores. It's how do you figure out the right product at the right time, and delivering that within a window. And all that has to do with IT and logistics, and there are huge opportunities for growth there, as well as on the service side. And I think within our own product lines there's tremendous room for growth.
Jose: We've grown an average of 20% a year for about 10 years, both in sales and in size. Today, 20% a year becomes $50 million. That becomes hard to sustain organically. So I think that a lot of our growth potential will be through partnerships with other growers and through acquisitions. We're working on a lot of strategic partnerships, like we did with Mike Rimland, like we did with United Orchids. That's the way we can most successfully grow the business.
Maria: But having said that, a year before we opened the color operation we never imagined we'd be in the color business. So to us, the sky's the limit. If there's a good opportunity and it fits within our business plan … we designed the business to have scalability. We've designed it to expand into Texas if there's an opportunity.
Jose: We have totally designed this company to almost franchise it. To take our computer system and plop it in anywhere else and be up and running in no time.
Maria: So we don't know where we might be five years from now.
Jose: You know where we do know we'll be? We're always ready for opportunities. That's what we've set ourselves up for. When we do an acquisitions, like the Mike Costa deal, which was our biggest acquisition ever, or when we got into the Pipersville (Pennsylvania) deal when Hines was having some issues, those things happened in a month. The important thing is that you're ready. That you've got a couple people in the bullpen, that you're not overleveraged, that you're ready to pull the trigger. And that's where we will be.
And just to say something else on that. We have had a lot of good opportunities where the money

> was there and it was a good deal, but we've passed because of human capital. Human capital is a huge issue to us. The team's gotta be ready. If the team isn't ready, all you are buying is a problem. We've learned that lesson the hard way. You can buy the greatest nursery in the world. but if you don't have the person who's ready to go there and run it, it's a problem.

GT: Costa currently ships nationwide, at least foliage. But will Costa eventually have locations across the country? It hasn't worked well for those who've tried it, like Hines.

> **Maria:** Absolutely. We have no limits.
> **Jose:** Hines is a publicly held company. We are a family owned company and we plan to stay that way. And if there's not a "Ronzoni in the kitchen" (as their father used to say to them, quoting a famous old TV commercial), or an adopted Ronzoni in the kitchen, we're not going anywhere.
> I tell you, Hines grew extremely quickly. Our growth has to be tamed, it has to be controlled, the human capital has to be there, we can't be overleveraged, we're not going to buy anything at a 10-times multiple.
> **Maria:** But maybe you can call in our kids and ask them.
> **Jose:** Maria, you're 40? Joche is 42. I'm 35. I mean, we're young. My grandfather started when he was 48. We're not even where our grandparents were when they started the business. We've got plenty of time.

GT: How are you planning for this spring?

> **Maria:** We're thinking about the cocooning effect. The staycation. My dad talked a lot about it. We're relatively recession-proof. There have been times where sales have gone down, but all in all, I would say that our sales have been strong. So we're cautiously optimistic. In fact, we're a little bit more than cautiously optimistic. We're planning for a good spring '09.
> **Jose:** We'll keep an eye on it, you know? We'll definitely keep an eye on it. And that's one thing that our computer system allows us to do. If we see that there's a huge downturn, we can react on a dime.

GT: You're too big to maybe hold back and not place seed or cutting orders until the last minute. At your volume of consumption, if you don't order it, you don't get it. You have to commit.

> **Maria:** By the way, that's probably one of the biggest mistakes I've ever made: being cautious at times.
> **Jose:** That's when barbecues take your space. You need to take a calculated risk.

GT: So you're expecting to be up for 09?

> **Jose:** Absolutely. We're planning a big up.

Passion Personified

Every business owner credits the "team." The team at Costa is 3,000 strong worldwide, so there's no

way we can profile all of them. But here are six who exemplify the passion and personality that make Costa tick.

Alfredo Bergolla | *Cacti & Succulent Grower*



Some call him the “Juan Valdez” of cacti and succulents … and not just for his Spanish accent. Alfredo Bergolla is a real character who is probably more of a plant ambassador—and plant addict—than anyone else you’ll find at Costa.

A native of Cuba, 61-year-old Alfredo was 18 when a friend gave him one succulent. He was bitten by the bug HARD, and three months later he had 300, eventually trading plants with collectors in Germany and Czechoslovakia. He

came to the United States in 1978 and built a small business from his hobby, making friends with the Costa family in the process.

Three years ago the Costas, recognizing the potential of the succulent market, bought Alfredo’s business and brought him on as grower, with the agreement that he could run the succulent department any way he saw fit. Today his department is one of the fastest-growing in the company. And he’s enjoying every minute of it.

“Alfredo is a passionate guy who’s totally engrossed by what he does,” says Jose Costa. “He’s just a guy who eats, sleeps and drinks succulents. He chases boxes to the truck if they’re not perfect. He’s got that passion. He understands that if it doesn’t sell through at the store, he’s not going to get an order again. And our cactus program has tripled since he got here.”

Charlie Acevedo | *Vice President, Sales & Marketing*
Marta Maria Garcia | *Marketing Manager*



Charlie and Marta are the “beer & spirits” connection that’s taking Costa’s sales and marketing efforts to an all-new level. Charlie, 45, an old friend of Joche’s, comes from Anheuser-Busch, where he climbed the corporate ladder as high as Vice President of Central and South America. Marta comes from Bacardi, where she specialized in brand management and event marketing.

Joche asked Charlie if he could help him find someone to head up Costa’s new marketing department. Charlie said, “Why not me?” and came aboard as a consultant. He spent the first year developing an understanding of how to bring strategic planning and strategy to the business. After a year, Joche asked him to join the company full-time and take over sales, too.

“I bring the consumer’s eye to what has been very much a production-minded business,” says

Charlie. “I try as much as possible to see everything from a consumer perspective, because that’s the only way we’re going to succeed. Sometimes we’re too close to the action.” He says he’s constantly asking the staff, “Do you really think the consumer sees it this way? If they don’t, then don’t waste your time.”

To head up the marketing department, Charlie turned to an acquaintance from his A-B days, Marta Maria Garcia. Marta, 31, spent eight years with Bacardi, doing promotions and event marketing.
What is there about beer and spirits that translates over to plants?

“Marketing is marketing,” Marta answers. “Everywhere you go there are basic principles.” But she says the product is certainly different. It’s perishable, and it’s commoditized. “In the liquor industry it’s all about image and building that image. Forget about selling a bottle of rum. I was selling a badge. A badge that says, ‘I am a Bacardi drinker.’ But there are a heck of a lot of things that can be applied to this business that can make the consumer’s experience better at the store level.”

Marta has already launched two experiential marketing efforts. One is “Meet the Grower,” where Costa’s growers make public appearances at retailers. The second is “O2 for You,” which promotes the air-purifying quality of houseplants through a grassroots campaign that takes live plants into hospital maternity wards. Local media is contacted to drum up news and support. They launched it last spring in New York City and will do a four-city launch this spring.

Charlie and Marta are embracing this opportunity to bring high-level marketing to our industry. Marta admits to just one aspect of the green industry that she hasn’t quite gotten used to.

“In marketing, we’re night creatures. It was a rude wakeup call the first day I had to go to an 8 a.m. meeting!”

Andrew Britten | *Plug & Propagation Manager*



You may already know Andrew—he was our first Young Grower Award winner in 2005. He’s also a two-time Costa employee, having worked for them for four years. He left to work as production manager for a local woody ornamental producer, but now he’s back again, overseeing all plug and liner propagation.

Andrew is an example of the kind of high energy, risk-taking employee that excels at Costa. “He’s a great, great team builder and people love to work with him,” says Maria Costa, who oversees what Andrew does for Costa Color, the bedding plant division of the business.

While some of Costa employees, such as Alex, have picked up virtually all their experience on the job at Costa, Andrew brings experience from three other high-profile businesses: Dominion Growers in Virginia, Heartland Growers in Indiana and Suncoast Nursery in Florida.

Andrew is responsible for 4 acres of plug range and 5 acres of cutting propagation, along with 4

acres of offshore cutting production in the Dominican Republic that produces some 20 million cuttings. It's a high-pressure position … which is fine with Andrew.

"You have to thrive on the opportunity to accomplish things," he says. "It's an incredible opportunity to accomplish things, and to have fun doing it. And I need that pressure and the stress level that goes with it to do my best. I think you'll find that most people who succeed at Costa are people who thrive on pressure."

Alex Calzadilla (left) | *Manager of Specialty Products*



At 15, Alex Calzadilla, who's father is a 20-year-veteran of Costa, did a summer job at the nursery. "I hated it," he recalls. So he got a degree in political science and planned to go on to law school. But when Jose Costa offered him a job after graduation, something made him say "Why not? I'll give it a try." Alex spent eight miserable weeks of "boot camp," doing the hardest, dirtiest jobs in the nursery. "I went through eight weeks of hell. It was really, really, really bad. Everybody thought I was going to quit. But I stuck and I stuck and the next thing I knew they offered me a job."

His first position was mapping and labeling the entire company, from south to north, east to west, bays, houses and fields. The project took almost two years. His second job was helping rebuild the nursery after hurricane Wilma in 2005. Alex's hard work didn't gone unnoticed. They next put him in charge of the orchid department, where he has increased sales and decreased payroll.

When sales through Mother's Day 2008 were down by $2.5 million, he told himself there was no way to make that up. But he got aggressive, improving quality standards and working with marketing to introduce new upscale packaging and programs. At the end of the year they were $200,000 over plan.

"Alex is a high, high energy guy who has added a ton of value," Jose Costa says of the 32-year-old. "He's got a lot of passion and fire. He's got the bug."

The Costas obviously trust Alex (pictured with his boss, plant purchasing director Nicolas Velez), because they've not only given him the bonsai and bamboo departments, they also let him set up the new joint venture with United Orchids, the centerpiece of which is a $5.5 million air-conditioned greenhouse where they'll finish 350,000 4 in. and 6 in. phalaenopsis orchids every eight weeks.

Mike Rimland | *Director of Business Development*



Jose Costa calls Mike Rimland, 53, his “consigliore”—the Italian word for “advisor” made famous in The Godfather. Mike is a 32-year foliage industry veteran and owner of Rimland Nursery, which abuts the Costa property. Because of that he’s known the family for decades. “I’ve been here since [Jose and Maria] were like 4 and 9 years old, crawling around on my lap,” he recalls. Says Maria: “My dad was his mentor. He was almost our mentor. It’s such an amazing thing to be working together now. He brings an outside dimension that we needed, somebody who kind of slaps us around every once in a while and tells us we should be looking at this or that. When Mike talks, you have to listen.”

Mike’s specialty is anthurium, and three years ago Rimland Nursery entered into a long-term joint venture with Costa to produce anthurium for them. Seventy-five percent of the one million plants he’ll produce sell through Costa; the rest he’ll market himself to customers such as Bell Nursery. When asked what a “director of business development” does, Mike replies that he does anything they need, from developing R&D programs and analyzing pest management systems to visiting Better Homes and Gardens and doing live radio programs.

And like the rest of the staff, Mike is totally into his job.

“Oh yeah, I’m literally, totally addicted,” he admits. “There’s no question. I kid myself all the time that I’m not and that I want to retire—it’s all bull****.”