

GROWERTALKS

GT in Brief

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Hines buys Bordier's

Chris Beytes



This field in Irvine may be full, but Hines Nurseries needed more inventory “to help us execute the spring that we want to have,” says president and CEO Steve Thigpen. That’s just one reason Hines has purchased all the assets—namely plant inventory and equipment—from Bordier’s Nursery, the California business that filed Chapter 11 bankruptcy protection in December 2008. Hines itself had filed for bankruptcy in August 2008 before its outstanding shares of stock were bought by Black Diamond Capital Management.

Bordier’s had two locations: 120 acres in Irvine and 380 acres in Moorpark. The inventory, which consists of premium shrubs, vines, tropicals and topiary material, will be merged into Hine’s 200-acre Somis facility. No land is included in the deal.

Steve, who returned to Hines last fall after leaving his CEO post in 2003, offers several reasons why the Bordier’s acquisition is good for Hines, the first of which being gaps in Hines’ inventory that he’d noticed in initial tours of the nursery upon his return.

“I knew that we didn’t have as balanced an inventory as we needed for spring,” Steve recalled, “and as soon as I got involved and toured both Somis and Irvine [Bordier’s locations], virtually everything they had was complementary to what we needed. So there was a great opportunity to get some high-quality inventory at a reasonable price.”

Second, he continues, Hines was able to take a competitor out of the marketplace. “We didn’t know who else [Bordier’s] might go to, but it wouldn’t have helped us if it was somebody else who wanted to continue to compete with us.”

Lastly, Steve says, they acquired not only Bordier’s assets, but also Bordier’s customers. “Basically, Hines had about 60% of the box market and Bordier’s had the other 40%,” Steve says. “So we keep those Bordier’s stores, so now we’re serving all [big box] stores on the West Coast.” **GT**