

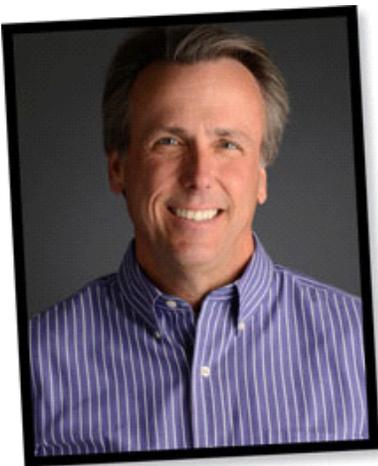
GROWERTALKS

Acres & Acres

5/1/2019

What Brian Said

Chris Beytes



CHRIS BEYTES

The “Brian” referenced in my headline is Dr. Brian Corr, horticulturist extraordinaire, a Ph.D., with 46 years in the business, a one-time employee of both Ball and Syngenta, and a well-respected consultant to cannabis and other industries.

What he said can be found in his column this month in the 14th paragraph:

“Get big, get bought or get boutique.”

He was referencing cannabis growers, but I smiled appreciatively when I read it, as I’ve been preaching the same thing since the first mid-sized grower lost its big box business and the first large grower was acquired by a venture capital firm. I just never put it as neatly as that.

That phrase has pretty much been the model for much of our industry ever since, with the big getting even bigger, some mid-sized guys becoming big or getting bought, and the remainder having to find an untapped niche. Or in some cases, unfortunately, going out of business, because none of these three options are a guarantee of success or even survival.

We’ve seen the big fall hard, most notably Hines and Color Spot. Hines looked dominant in the early 2000s, buying up medium and large competitors across the south, but in the end it was their giant size that killed them.

Some of the sellers of medium- and large-sized business must have been prescient, cashing out at the top of the market. Like the Lovell brothers, who sold their Homestead bedding plant operation to Hines in 2000, possibly earning them more money from a nursery sale than anyone before or since.

Hines may have proven that trying to be national doesn’t work—or at least hasn’t thus far. The really big growers that are still successful have tended to stay regional or even fairly local (within 400 miles or so). Some have remained single-site operations. They’re big, they’re powerful and they’re smart to know not to grow beyond what their management teams can handle.

Mid-sized growers, meanwhile, have found several opportunities, such as in contract growing, which I think is a great way for medium and large growers to co-exist. Granted, it’s seasonal, requires lots of trust and isn’t guaranteed from year to year. But what part of horticulture is? I suggest you treat the relationship like you would any other: Make yourself so valuable to your customer that they’ll be afraid you’ll drop them, not the other way around.

Some mid-sized growers have done a good job weaning themselves off the big boxes and specializing in regional chains, grocery stores, landscapers and independents. It's funny how we've almost forgotten about those markets. We talk Depot, Walmart and Lowe's as if that's all there is for a large grower, but nothing could be further from the truth. In fact, the way I hear this season has been shaping up at the big three, I suspect more than a few suppliers to them are wishing they could transition back to the good old days of grocers and dime stores (but that's a topic for another column).

Lastly, boutique, meaning doing one thing and doing it extremely well. Ball Publishing is a boutique publishing company, sort of the Rolex or Lamborghini of the publishing world. Not that we're expensive or exclusive, but we strive to feel that way.

However, just because a business is small doesn't mean it's boutique. I've been in plenty of IGCs that are as boring as a box store. However, it's easier to be boutique when you're small, because it's easier to devote time to the little details that make a big difference.

Conversely, boutique doesn't have to mean small. I like shopping at outdoor specialist Cabela's and workwear retailer Duluth Trading because the shopping experience and merchandise presentation feels boutique. I know I'll pay more, but I'll get a product I'm proud of and that will last.

Of course, the bigger you get, the harder it is to maintain boutique standards of excellence, especially in service. The more you delegate, the more you have to hire for that "boutique" attitude. When customer count becomes more important than customer names, your boutique status is in jeopardy. **GT**