

GROWERTALKS

GT in Brief

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Seville Farms to Sell After Losing Key Customer

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Seville Farms, based in Mansfield, Texas, is up for sale after nearly 30 years in business. The reason? They lost their biggest customer, and the remaining business won't be enough to cover overhead and debt servicing.

"We were informed earlier in the summer—the end of June/beginning of July—that we were losing a significant amount of business for next year," said Billy Brentlinger, who founded Seville with his brother, Bobby, in 1994. (He would not say on the record who that customer was.) "We went back and took a look at our business and where we were with the rest of our customers, and it was going to reduce our business by over 60% in volume."

Billy said the company's management team and the consultants they've worked with over the years didn't think they could continue to support the business with such a drastic reduction in sales.

"When you take into account overhead and debt structure and those things, we just didn't feel that it was prudent for us or for our stakeholders to move forward. So we made the decision to basically close down the operation and pursue a sale of our assets."

Seville stopped production of new crops in Week 29 and were selling through all remaining inventory. Billy said his current customers—including the one that made the decision to drop them as a supplier—were helpful and cooperative in moving their fall mums.

As for Seville's future, Billy says they're negotiating with "several different groups" to sell all or part of the assets as a going concern. Those assets include five locations and some 6 million sq. ft. of production space.

It's a risk every big-box grower takes when putting all their eggs in just a few baskets. Billy agreed.

"If you're going to be of size in our business, you know that you're going to have a concentration of one, two or three large retailers."

As for why they lost the business, Billy says he doesn't know. "I was given some reasons, but I can't speculate on that." He did admit that it wasn't entirely out of the blue. "We'd been working with them to improve our relationship," he said.

Equally painful for Billy was having to lay off more than 200 employees because they'd stopped production. When asked what he and his brother would be doing next, he answered, "I'll be honest, we're focused on winding down the operation and taking care of as many of our people as we can."

Then his voice cracked. "I can't talk about my people without getting a little emotional," he said. "I have people who've worked for us for over 25 years."

Billy said the current negotiations could result in a reasonably quick sale, although these things do take time.

"It's our goal—mine and Bobby's—to get the operations up and running under new ownership and to bring back as many employees as we can and keep as many people employed as we can." **GT**