

inside... Spring Merchandising • Greenhouse Produce • **MEXICAN MANGOES** • *Lettuce Marketing*
Value-Added Potatoes • *Regional Market Profile: San Francisco* • **Packaged Nuts** • Orchids

producebusiness

MARKETING • MERCHANDISING • MANAGEMENT • PROCUREMENT

FEB. 2005 • VOL. 21 • NO. 2 • \$9.90



Is RFID The Key To Our Future?

Short-term challenges and far-reaching possibilities to transform the produce industry.

Never miss an issue!
To get your own subscription to PRODUCE BUSINESS magazine, please see the cards between pages 10 & 11 and 66 & 67

20 Lessons In 20 Years

Both PRODUCE BUSINESS magazine and Earthbound Farm are celebrating a 20th anniversary this year. This milestone prompted us to think about where we came from, where we've been and where we're going.

We were two "city kids" from Manhattan when we started working the fertile soil of our 2½-acre backyard garden in Carmel Valley 20 years ago. We never dreamed that it would grow into Earthbound Farm or that organic produce would ever be so popular.

When sales of our organic baby greens took off, we "city kids" joined forces with the "farm boys" from the Salinas Valley. Together we developed organic farming on a scale large enough to assure a reliable, year-round, top-quality supply for customers and consumers across the nation and beyond.

Our journey is an example of the American Dream coming true, so when PRODUCE BUSINESS asked us to share 20 lessons we've learned in 20 years of business, we thought, "Only 20?!"

1. Just because it hasn't been done, doesn't mean it's impossible. When we started farming organically, common knowledge held that organic farming could never be viable on a large scale. And in 1986, when we started selling washed and bagged salad greens, everyone told us it couldn't be done. We built their business on accomplishing the unimaginable.

2. Always start your day with a healthy, well-rounded breakfast before tackling the demands of your day. The produce business is a topsy-turvy, lightning-quick business and if you don't start the day fully fueled, you'll never keep up.

3. Individuals can affect big changes. In 1985, we were growing organic specialty salad greens for top restaurants. Back then, only top chefs were serving specialty salads, organic or not. Since then, spring mix has been added to the menu of everyday salad choices for Americans across the country,

even at McDonald's!

4. Articulate your core values and commitment to your employees and then don't compromise. If you "walk your talk," your employees will embrace your core values and commitment...and they'll make the right choices for your company.

5. If you build a better mousetrap, people will beat a path to your door. (Innovative products that people want will be successful.) Twenty years ago, most people scoffed at the idea that consumers would pay more for pre-washed salad in a bag. But with people yearning for both new flavors and convenience, these products became hugely popular on the heels of Earthbound Farm's trailblazing efforts.

6. Get comfortable taking risks, but don't become reckless. If you never take risks, you never know how far you can advance, and you certainly don't blaze any trails.

7. The quality of organic produce has

to be better than its conventional counterparts. Because organic produce costs a little more, it can't be just as good as conventionally grown produce. Consumers expect it to be better.

8. There are no short cuts to quality. Period.

9. Tomorrow is another day. There are probably only one or two days during the year when supply and demand are actually in sync. Success depends on putting the inevitable challenges of daily operations into perspective so that they are less emotionally draining.

10. Organic farming teaches you to look at the long-term viability and health of your business, of people, and of the planet...not just at realizing short-term gains. The basis of organic farming is healthy soil that gets richer and healthier with each successive year. That is true sustainability, and that's the model we apply to every aspect of doing business at



BY MYRA AND DREW GOODMAN

When PRODUCE BUSINESS asked us to share 20 lessons we've learned in 20 years of business, we thought, "Only 20?!"



To get ahead in the produce business, you need to stay ahead of the produce business.

producebusiness
MARKETING • MERCHANDISING • MANAGEMENT • PROCUREMENT



For subscription information, please use the card between pages 10 -11 & 66-67 in this issue.

Earthbound Farm.

11. Finding strong, committed employees and getting them in the right positions in the organization is one of the most important and, sometimes, most challenging, aspects of running a great business. If you find a really great person, don't let him or her slip through your fingers just because you don't have an obvious open position.

12. Always compensate your employees as well as you can afford to and find other ways of showing them how much you appreciate them. Great employees are key to sustaining success. Be sure to reward them well.

13. Always challenge the process. What worked great yesterday may not work

to bring it in. Back when we were still running a small farm, I [Drew] was driving from Carmel Valley to Watsonville to buy a tractor part. I passed field after field of perfectly aligned crop rows belonging to farmers with long family histories of farming. They were farming conventionally, but I realized we could learn a lot from them. As Earthbound Farm grew, we partnered with Mission Ranches and, later, Tanimura & Antle, which brought more farming expertise to the operation and helped make organic farming viable on a large scale.

17. Challenge your employees (and yourself!) with opportunities for growth and opportunities to express creativity. Everyone wants to do something valuable and to contribute to the process. Be sure to



Every detail of every contact with employees, vendors, customers and consumers matters.

today. "Because we've always done it that way" is not a good enough reason to continue to do it the same way. You should be able to articulate why any particular practice is the best choice to achieve its goal. Things can always get better. To assess how, try to look at your business with fresh eyes.

14. The only thing consistent is change. That means it's crucial to be as adaptable as possible as a business. Embrace the change instead of fighting it, whether that change is in your customers, your market, technology, or anywhere else.

15. Stay aware of social and cultural megatrends and other factors that influence the environment in which you do business. Business has its daily demands, but you have to stay aware of the world around you, even in areas that don't seem intimately related to your market. If you shut your eyes to these influences, you're sure to get blindsided by something you should have seen.

16. Be honest about the expertise you do have and don't have. If you're not, you'll miss important opportunities. If you need expertise you don't have, don't hesitate

give your employees that opportunity.

18. Learn to let go and to turn responsibility for things you've always done over to capable people in your organization. Sometimes it feels as if you're the only one who really knows how things should be done properly. But if you let go, you'll discover strengths in your employees that you may never have seen if you hadn't stepped back. Oh...and it means less work on your own plate, too.

19. Everything matters. Every detail of every contact with employees, vendors, customers and consumers matters. Your company's reputation is the sum total of the good, the bad and the ugly that touches it. And while everything can't be perfect, it better be darn good.

20. Business demands will never cease, so don't let them stop you from making time for your family and people you love. pb

Myra and Drew Goodman are owners of San Juan Bautista, CA-based Earthbound Farm.