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Staying on Color Point

COLOR POINT

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COVER STORY — Staying on Point

By Tim Hodson

By continually innovating their business, Ken and Art VanWingerden have positioned Color Point to continue to grow for many years.



f Color Point at a Glance:



Founded: 2001



Locations: Kentucky and Illinois

Total Growing Space: 115 acres

Co-Owners: Ken and Art VanWingerden

Number of Full-Time and Seasonal Employees: 350 to 400 full-time/approximately 700 during peak season

Customers: Major national retailers

Website: www.colorpoint.us

As you drive to one of Color Point's facilities outside of Lexington, Kentucky, it is easy to find yourself mesmerized by the beautiful scenery. That's because Color Point's headquarters is tucked away in the peaceful, rolling hills of horse farms in Bourbon County, Kentucky.

But once you enter Color Point's greenhouses or massive shipping area, you quickly forget about the pastoral Kentucky countryside because things are really humming — especially in mid-May!

Big Grower had a chance to sit down with several of Color Point's key team

members the week after Mother's Day to learn more about what the company is doing and how it is flourishing in today's changing marketplace.

Ken and Art VanWingerden founded their company in Paris, Kentucky, in 2001. Over the past 15 years, the company has expanded to become the largest grower in the Midwest.

In 2014, the brothers purchased Mid-American Growers (in Illinois) and more than doubled the sales of their company overnight. Today, the company has more than 5.1 million square feet of growing space at its facilities in Kentucky and Illinois.

The company grows and sells annual bedding plants in packs, pots, hanging baskets and decorative flowering containers as well as seasonal potted flowering plants such as mums, orchids, miniature roses, Christmas cactus, kalanchoe and poinsettias.

Color Point's products are available in many national retail stores, and ship throughout the continental U.S.

Much of Color Point's growth over the years can be attributed to its commitment to innovation and fulfilling the needs of its customer base — along with a lot of hard work.

Staying Focused

"From the very beginning, we were focused on our customers," says Bruce Daniel, Color Point's vice president of sales. "Our job is to satisfy the consumer with great color, help [the stores] with merchandising assistance and make sure our products look good at retail."

The way Color Point does that is by continually examining how the company operates and looking for the best ways to do things more efficiently and cost effectively.

"Our business philosophy is to be forward thinking," says Adam VanWingerden. Adam is Ken's son and has grown up in the business and is currently Color Point's sales director.

"Our goal is to provide our customers with the innovations and solutions they need to grow their businesses," he adds. "But in doing so, we are always looking internally at ways that we can innovate and grow ourselves."

The VanWingerdens realized very early on how valuable information to and from their customers could be. Things like demand-driven forecasting, RFID cart tracking and a proprietary order replenishment

software program are just a few of the technological tools Color Point uses to work smarter in the greenhouse, in the office and in the garden center.

“There are so many variables that have an impact (both good and bad) on Color Point’s performance,” says Stephen VanWingerden, “so access to as much information as possible is vital.” Stephen is Adam’s brother and Color Point’s information director.

“One of our biggest strengths is the level and amount of detail we have in our replenishment system. It is important for our customers and it is important for us,” Stephen says. Sales forecasts, POS data, production reports, weather data, cart contents and locations, availability, shipping/trucking logistics are just a sampling of the big data that is readily accessible from the Color Point system.

The replenishment system is called OrderWrite and was developed in-house to help Color Point provide its customers with the freshest plants and best quality. It also is designed to help maximize sales, reduce shrink and provide greater flexibility for the retailer and the grower.

Stephen says Color Point has been using OrderWrite for about eight years now and it has been invaluable. He says the company is always building and adding new features to the system: “We are always learning, always improving, always enhancing” OrderWrite to make it even more powerful for Color Point and its customers.

Color Point’s partnership with SBI Software has also increased their efficiency in greenhouse and sales operations. “Onsite visits from Aaron Allison (CEO and partner) are key to the development of many of our solutions,” Stephen states. SBI Software has worked with Color Point to create production and mobile apps for their sales, operations and field teams (see the July 2016 issue of GPN).

“There is definitely a demand for more information and analytics. Retailers expect you to have certain data at all times,” Adam says. “We have made significant investments into our IT, into new software and our production systems and processes to provide that information.”

Bruce Daniel says the more information the company has, the more successful they can be. “One of our big philosophies is performance and understanding what the key factors are for our customers ... and then hitting those goals consistently. If they do well, we do well.”

Making It Happen

All of the systems and processes that Color Point has implemented over the years can only be successful if the right people are in the right jobs.

The company has between 350 and 400 full-time employees — that number tops out around 700 during peak season.

“I think one of our biggest strengths is our people,” Adam remarks. “We cannot be where we are at today without the talent we have.” He says management can develop a forecast and a game plan that looks great on paper, “but it all has to be executed by people in operations.”

Stephen adds that the Color Point team is always learning new and better ways to do things in the greenhouse, in the shipping barn and at the store. “We want to continue to develop. We never want to accept the status quo.”

“At Color Point, we employ critical thinkers,” Adam says. “When you get a lot of critical thinkers in one room, great things happen.”

The company also values input from its employees. “We want to be sure that everyone asks questions like: Why are we doing it this way? Is it the right way? Is there a better way to do it? Is there a smarter way? ‘It’s always been done this way,’ is not the answer.”

All totaled, Color Point has more than 5.1 million square feet of greenhouse production facilities in Paris, Kentucky (above) and Granville, Illinois (below).

Meeting the Challenges

Like all growers, Color Point faces its fair share of challenges, but advance planning and access to information help to minimize those challenges.

Stephen, Adam and Bruce all agree that meeting the demands of a busy spring season is their number one priority/challenge. Figuring out all of the production and shipping logistics and timing things just right for their stores is critical to the company’s success.

“We have such a small window of opportunity [each spring]. If we miss it we are never going to get it back,” Stephen says. “If you don’t have the right product at the right store at the right time, you are going to miss that opportunity.”

That is what makes all of the data and information in the OrderWrite replenishment system so important.

Having access to that information also allows Color Point to be more flexible when things can get hectic in the spring. Adam says they need to have “the logistical flexibility” to deal with the unpredictable weather. They do this by building buffers into their capacity planning so if an unanticipated situation arises (like bad weather), they have some leeway to accommodate any required changes.

Bruce and Adam both say Color Point has experienced the same issues other growers have when it comes to trucking. The latest state and federal regulations, rising costs and the lack of available drivers are not making things any easier for the company, Bruce says.

Color Point founders and co-owners Ken and Art VanWingerden.

“Trucking is one of the hardest challenges we have to deal with. We have to find as many drivers as we can during the peak [season]. We have the trailers, we have the carts but you need those people to deliver the products to the stores,” Bruce says. “That is definitely a challenge and I don’t see it getting any easier.”

But Bruce admits those types of issues are just a part of doing business and each season they do everything they can to lessen their impact on Color Point’s operations.

Well Positioned for the Future

While Color Point celebrates its 15th birthday this year, Ken and Art VanWingerden have positioned the company for future growth.

Their children (see sidebar below) have grown up in the company’s greenhouses and are learning all of the different aspects of the business.

Adam sums it up best when he says, “I think [the up and coming VanWingerdens] have the same vision. We want to continue what our fathers [have done and continue to do] and grow Color Point in a responsible way, thinking about the customers and our people.”

Making a Mark in Marketing

One of the areas that Color Point has made a very strategic investment in is marketing and communications.

Last December, the company created a formal marketing and communications department and hired Naomi Maloney as its director. Maloney has a wealth of experience working with many national consumer companies.

“A dedicated marketing and communications team will create tangible results for our business partners and better communications for our employees,” said Ken VanWingerden, co-owner of Color Point at the time of Maloney’s hiring.

The company’s 2014 purchase of Mid- American Growers and the merging of two companies was also the impetus for creating a formalized

department, VanWingerden said, to help increase internal communications for Color Point.

External communications is just as vital. “One of our goals is to always stay relevant with our customers and the consumers,” says Bruce Daniel. To do that, you have to be sure you are delivering a clear and consistent message, he says.

Maloney is working with Leanna Burress (a member of the Class of 2016 of GPN’s 40 Under 40), and co-owner Art VanWingerden’s daughter, Jane, to implement Color Point’s marketing plan.

The company is currently developing a brand platform that is “a best practices process to help us formalize a brand positioning and communicate the attributes that differentiate us,” she says.

“What is the link between the grower, the retailer and the consumer?” Naomi asks. “How can we facilitate that relationship [among all three groups]? It’s all about those connections.”

Naomi and team are looking for ways to help provide Color Point’s retail customers with insight into the market as well as working with current and future consumers.

One of the challenges the marketing department is facing is how to reach younger consumers. “How can we help them succeed? We understand that many use our products to decorate, not necessarily garden. How can we make that easier for them?” she asks.

Maloney says they are working on different types of research to get both qualitative and quantitative consumer information that will help them produce the products that consumers are telling retailers that they want. “We have to adapt to where they are going,” she says.

“We want to stretch the boundaries of what is in our toolkit and what is in the retailer’s toolkit from a technological standpoint, from a communications standpoint and from a marketing standpoint.”

Who’s Next?

The next generation of VanWingerdens has a very active role in helping to guide Color Point into the future.

Ken’s sons, Adam and Stephen, and Art’s children, Phil, Dan and Jane, are all working in different areas of the company including production, sales, information technology and marketing. “There are still nine more brothers, sisters and cousins on our heels,” said Adam VanWingerden, “Look out.”

Adam says he and his brother work “very, very well together with our

cousins. Our cousins are like our brothers and sisters. I think we all complement each other nicely, which is good because we all want to be here for the long run. We may discuss things passionately, but we never fight and yell at each other.”

“Our dads have been great coaches. They’ve always wanted to get us as saturated as we could in all aspects of the business so we know a little bit about everything,” he adds.

Working with other family members can also be a lot of fun and sometimes a little goofy, Adam says. “I have one friend who looks at us and says, ‘Your family could have its own reality TV series.’”

PDF: COVER STORY — Staying on Point



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