

# THE PRODUCE NEWS

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## New ownership brings fresh vision to Mr. Greens

by John Groh | October 04, 2012

MIAMI — In the year since Mr. Greens Produce was acquired by new ownership, the company has adopted a new business philosophy that has it poised for growth.

After seven years in the asset-lending business, Peter Politis was looking for a new challenge. He had considered making a move to the produce industry for some time and finally decided to take the plunge in August 2011, when he purchased Mr. Greens, which provides produce and dairy to foodservice accounts in the south Florida counties of Palm Beach, Miami-Dade and Broward.



“I had considered Peter Politis (left) and Nick Politis (right) guide the strategic direction of Mr. Greens, while General Manager Jose Gutierrez (center) handles the day-to-day operations. (Photo by John Groh) getting into the produce industry for years, and I had two major produce wholesalers in Canada who guided me,” Mr. Politis told The Produce News at the newly renovated and expanded Mr. Greens facility, here. “I was told that Mr. Greens was for sale, and I spoke with [current general manager] Jose Gutierrez and some of the rest of the staff, and I was really impressed with their enthusiasm and ambition.”

He added that Brian Allen of National Produce Distributors in North Barrington, IL, who sells product to Mr. Greens and who had worked with Mr. Gutierrez under the

Mr. Politis said that under the former owner, the company was constrained financially, so it was not taking risks that would enable it to grow.

“The previous owner of Mr. Greens was happy buying in the market for \$10 and selling it to restaurants for \$13,” said Mr. Politis. “I had faith in what Jose and the rest of the staff had to say, and we started doing full loads. It was a risk, but we were able to increase our business and do better on pricing as a result.”

Mr. Politis said that he has “almost nothing to do with the day-to-day operations at the company,” instead focusing on strategy and financial matters. He credits Mr. Gutierrez with adeptly handling operations at the firm.

“It’s really all about Jose and the rest of the staff,” said Mr. Politis. “They have done a phenomenal job. I used my financial background to strategically put this business into the position it is today. I’ll talk to the banks and look at a client’s net worth and assess my exposure to a loss. I can determine to a greater capacity than most of my competitors about who is and who is not a good client. I am extremely confident in my ability to assess risk.”

Mr. Gutierrez, who has been with the firm for seven years, said, “Under Peter, we now bring everything in direct from growers and buy very little off the market. We have more attention to pricing and seasons. And we have started doing full loads of potatoes, California vegetables, onions, cucumbers from Canada, heirloom tomatoes and berries from California.”

In addition to sourcing directly from growers, Mr. Politis has adopted a philosophy of not relying on any one client for too much of his revenue.

“Other companies make the mistake of putting too much toward one account,” he said. “They go after a huge account and gear their entire business toward servicing that account, from their warehouse to their staff to their trucking. But if that one business changes, their own business could be affected. Before, Mr. Greens had two accounts that represented 30 percent of its business. Having my background, I realized that is not a good model. Each account should represent no more than 6-7 percent of your annual sales.”

Assisting Mr. Politis in sales and business development is Nick Politis, his cousin who recently moved to Florida from New York.

"I spent 18 years on Wall Street in both Toronto and New York, and after the 2008 financial crisis, things weren't the same so I was looking for a new challenge," Nick Politis said. "I spoke to Peter in the spring, and he was doing very well but feeling a little overwhelmed, so he invited me to come down and see his operation first hand. I came down for a couple of visits in June to take a look at what he is doing and how I might help. Initially, I was able to help by reaching out to the big growers in California to open accounts and buy directly from them. Like any business, your ability to buy things at a competitive level is really your competitive advantage."

Nick Politis said that Mr. Greens has developed a niche as being somewhere between the bigger players and the small ones.

"There are two or three very big players here in Miami and a lot of smaller ones, but none in between, and that's where we are fitting in," he said. "The other competitors in the market are more price-driven than quality-driven, but as a foodservice company, we are dealing with a lot of chefs and buyers who are very discriminating about the quality and items that they want, and our job is to source those items."

Since new ownership took over, Mr. Greens' Blue Book rating has improved substantially to 75M XXXA, meaning it is considered to be a company of good integrity that pays its bills within 21 days. That has helped generate new relationships with growers, said Nick Politis, since suppliers are more willing to do business with a distributor that pays so promptly.

Mr. Allen of National Produce Distributors told The Produce News, "I've been dealing with Mr. Greens for a number of years, and it has always been an honest business. I have always done everything possible to keep them at a competitive price and to keep good product flowing into them. And when problems do arise, we have always tried to handle them by the book. In Miami, everyone speaks very highly of them. They put their integrity and the product that they are selling and their customers first."

Mr. Greens recently renovated and expanded its facility to 14,000 square feet from 3,000 square feet. Additionally, the staff has grown to 24 people from six, and its fleet of delivery vehicles now numbers 11, up from four. Peter Politis said that Mr. Greens was always focused on the service aspect, and a lot of the clients loved the firm for that reason.

"That's our edge," he said, "A lot of wholesalers buy a pallet and break it up into 56 and then sell cases one at a time. We do the same except we examine the case with the chef or customer every morning. It is tremendously scrutinized, and we have been beaten up on that a million times, so we are trained at a different level than other wholesalers. Also, we are a seven-day-a-week operation and we'll run out to a restaurant three or four times a day if they need product."

"A lot of the big companies have a 'take it or leave it' attitude," Nick Politis added, "but we will do anything to keep a client happy. Our reputation is getting out there and we're getting calls every day with new business."