

Gary Furr was brought in to examine the nursery operations, interview staff and make recommendations on how to correct the problems. PHOTO BY CLIBT KIDD

Gary Furr addresses toxic company culture to fix crippling problems at Rio Verde Plantas

BY VIC PANICHKUL

HEN TORY SCHWOPE, founder of DCA Outdoor based in Kansas City, Missouri, purchased a 300-acre nursery in Cornelius, Oregon, and 500-acre nursery in Banks, Oregon, he had no idea the magnitude of the problems that he'd face.

About two months into his efforts to transform the two businesses into **Rio Verde Plantas** and the Oregon branch of Schwope Brothers Tree Farm, he uncovered a toxic culture and managers who would deliberately sabotage his efforts.

"I have never had people be intentional about sabotaging my efforts, working against what I was trying to accomplish. It was extraordinarily frustrating and deflating for me," said Schwope. "It was heartbreaking for me."

"I was out of options and I needed help," he said. Something needed to be done to turn around the culture.

Help from an old friend

Gary Furr had come to know Schwope as a business colleague first, and then a friend while he was at J. Frank Schmidt & Son nursery (Boring, Oregon), where he rose through the ranks and became chief operating officer. Schwope was a client at the time and Furr stopped by whenever he was calling on customers in the Midwest.

"Tory called me in May of 2020 and he had just bought the nursery and wanted to show me around," Furr said. "By that fall, he called me to ask for help."

Furr was asked to evaluate the company and make a



PHOTO BY JOSH LAPOINT

"I have never had people be intentional about sabotaging my efforts, working against what I was trying to accomplish. It was extraordinarily frustrating and deflating for me."

- Tory Schwope, DCA Outdoor founder

202311 Digger Final.indd 33 10/17/2023 12:43:48 PM

Turnaround



Furr checks in on Patricia Damian, section grower in charge of planting, in the potting shed at Rio Verde. He makes it a point to walk around the nursery regularly to greet the staff and see how they're doing. PHOTO BY CURT KIPP

recommendation.

There were a host of problems, said Josh LaPoint, sales manager at DCA. "Inventory was inaccurate. Plants would be ready, but they would show in the system as not ready. Outside sales reps didn't want to sell because the inventory was off — they didn't know what could be sold."

"Shipping was abysmal," LaPoint said. They took seven hours to load a truck and the plants were not being loaded correctly. "The plants were arriving damaged," he said. Plus, they were loading the wrong orders in the truck or orders would contain plants that the customer didn't order. "When the material was being pulled from the field, plants for different clients were placed on the same pallet instead of separate ones."

"There were a lot of safety issues," LaPoint said. "Nobody paid attention or cared."

There was also a lack of organization in the field, which led to poor plant quality.

"Plants weren't grouped together by plant type or water requirement, so they were receiving the incorrect quality of irrigation," production manager Jess Cesar said. "A lot of plants were overgrown for their container size and rootbound in their containers."

The problems themselves could have been tackled individually, but closer examination by Furr found that the problems ultimately had the same root cause.

"The culture here was toxic," Furr said. "People did not do their jobs. They had no accountability. They had an organizational structure, but nobody was following it. We had to change the people in order to change the culture here."

Schwope asked Furr if he thought the company could be turned around. "I said maybe, but not without a whole lot of work," Furr said.

Then Schwope asked Furr if he would lead the turnaround.

Furr thought about it. "When Tory explained the vision and mission, I told him I'd help him do it," he said.

Schwope was building DCA into a vertically integrated company where different businesses under the umbrella company would work together to supply the distribution market. It was an innovative idea. The portfolio of companies included growers, distributors, a transportation company, a marketing company, and a retail and agritourism operation. And Rio Verde and Schwope Brothers Tree Farm would have an important role.

"There's a lot of moving pieces here because we're a vertically integrated company. This operation is the foundation for the rest of the company," Furr said.

Both Oregon companies had their own brands and niche but there would be shared functions like finance, HR, and administration. The Oregon operation of Schwope Brothers Tree Farms would focus on bareroot and packaged shade, ornamental and fruit trees. Rio Verde would focus on container-grown plants.

Change the people, change the culture

Furr met with staff at both nurseries and told them the company was changing directions.

NOVEMBER 2023 DIGGERMAGAZINE.COM

"The train is leaving the station, and I will help you get on board," he told employees. "But if you come kicking and screaming, I'm going to kick you off the train."

Tory gave Gary full autonomy. The first thing he did was get rid of the director of operations, who wasn't up to the task. "I served as interim director of operations and it was going to be a 6-month job, then it turned into 12 months, then 18 months."

"Culture changes aren't easy. It's like turning an ocean liner," Furr said. "To fix it, you have to put the right people in the right spot. They're the ones who make it happen. I'm just here to facilitate."

Furr initially tapped the talent that stood out when he did the evaluation of the company.

Cesar, the current production manager, was a production coordinator when Furr started the process. "When I inter-

viewed her, I knew we had a star," Furr said. "She's amazing, capable and competent, and smart." When the production manager left, he promoted her to that position.

Gabby Romero started out in the nursery pruning plants. One day the dock manager needed help and asked her if she knew how to drive a forklift and she said yes. "I've been in shipping ever since," she said.

When the shipping foreman left, Romero was promoted to the position.

Amidst all of the changes, Furr tries to keep things focused so he tries to keep it simple. "We focus on three priorities each week and keep things neat, clean and organized so we can be efficient and effective and safe."

While it's important to focus on the business, it's also important to focus on people, Furr said. It's something that he instills in his managers.

"It's not like we have two separate lives," he said. "We have a business life and a personal life and they go hand in hand. If our business life is not going well, then it's likely that our personal life will not be going well and vice versa."

Romero appreciates the concern that Furr demonstrates for the well being of the workers.

"When it's hot, he gets Gatorade for the workers," she said. "That didn't happen before. The workers know that the company cares for them."

"He doesn't just want you to succeed in the business, he wants you to succeed in life," said Elizabeth Martinez, who oversees HR and finance. "When he walks around, he asks people how they're doing. He cares about people genuinely. He finds out what moves each of us and tries to support and help us. He does that with everybody, not just managers."



202311 Digger Final.indd 35 10/17/2023 12:43:51 PM

Turnaround

"I love my job. I was looking for a company that reflected my personal values and I found it here. I'm valued and can make an impact," said Martinez, who was interviewed for the job by Furr. "What I do matters. It feels good."

"I learned a lot of patience from him just by watching him," LaPoint said. "You wouldn't run out of second chances with him, as long as you were trying. He's in it with you. I learned to get out there and try things even if it didn't stick. He'd say 'well, lesson learned."

"Each week on Monday in our huddle we get together, he gives a mini talk about business and about life," LaPoint said. "We get these life lessons every week."

"He's strict, strong and direct in his communications, but at the same time he's very caring," Martinez said. "He's very direct about what needs to be done and goals. He makes sure teams follow goals and core values and he keeps them on track, but he's emotionally supportive too." Turning around the operation has required a constant push from everyone in the same direction. Furr calls this "keeping the pressure on the yoke."

"I was a pilot for 22 years," Furr said. "When you're flying a plane, you turn the yoke to turn the plane. If you let go of the yoke, the plane will return to its original direction of flight because of momentum. You have to keep pressure on the yoke to maintain desired trajectory. In business, it's the same. If you want to make changes or change direction, you have to keep applying pressure to move the business in that direction, or entropy makes people go back to their old habits."

"He keeps reminding everyone that we have to put our best effort forward every day," Martinez said. "That's the key to how he has changed the culture here."

Time's ticking

While working to turn Rio Verde and Schwope Brothers Tree Farm around, Furr has lived with the knowledge that his time is limited, and not just to complete this job. In December of 2020 he was diagnosed with heart failure and cardiac amyloidosis. Abnormal



Furr and Schwope got to know each other when Furr was COO at J. Frank Schmidt & Son and Schwope was a client. PHOTO BY JOSH LAPOINT

proteins in his bone marrow are attacking his heart, he said. He had the disease since the early 2000s but did not know it. His doctors told him the average lifespan with his condition is 5-10 years if they caught at that time — a prognosis he has already outlived. Furr said it's been a liberating experience for him.

"It freed me to put all of my affairs in order," he said. "It allowed me to tell my life story to my sons and my grandchildren. It's really a feeling of peace."

In June, he had a big party, a celebration, with family and friends. "It was basically a celebration of life," Furr said. "Why have it after you're dead? I wanted to be there."

It has given him a sense of urgency to get what he wanted to accomplish at Rio Verde done.

The company recently hired a new West Coast director of operations. "We finally hired Scott (Boatman) so that I can step back and be an adviser," Furr said. His goal now is to focus on getting Boatman up to speed and supporting him to make sure he's successful. Boatman has a business background, but no nursery experience.

Furr has made a big difference at the company, but there's still lots of work ahead.

"Gary is so far the best business

partner that I've had in my career from an operator's standpoint," Schwope said. "It was amazing to go from the most frustrating experience to the most rewarding experience."

"We still have a lot to do," Schwope said. "We still have key members of our different teams to fill out. We have a lot of work establishing KPIs (key performance indicators), we have equipment systems to continue to invest in. We have a lot of infrastructure to rehabilitate."

"We have a tremendous amount of work ahead of us to become the operation we envision," Schwope said.

"We always have room for improvement," Furr said. "When you keep raising the bar, there is a gap between where you are and where you want to be, which creates tension. You can either move closer to the goal to relieve the tension or lower the goal, which is not a good option. Think of it as creative tension not negative, which keeps you on the path of continuous improvement. It's a neverending process."

Vic Panichkul is publications manager at the Oregon Association of Nurseries and managing editor and art director for Digger magazine. Contact him at 503-582-2009 or VPanichkul@OAN.org