



Cherry Lake Tree Farm Ready to Branch Out

By Alan Byrd Staff Writer
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Groveland business sets sights on going public, acquiring other nurseries.

GROVELAND -- In the mid-'80s Michel Sallin faced the dilemma that so many other citrus growers had at that time: His 1,000 acres of citrus groves north of Groveland were ruined from a series of freezes, and he didn't know whether to grow more or do something else with the land. But instead of selling his land to developers or replanting, Sallin turned to trees and started Cherry Lake Tree Farm.

It turned out to be a gold mine. Last year, the company sold \$17 million worth of ornamental trees, such as live oaks, crape myrtles and magnolias. Over the company's 15 years in business, it has never seen less than 25 percent annual growth. And now, Sallin is in an acquisition mode, looking to consolidate the industry and eventually hoping to take Cherry Lake Tree Farm public. "There will be a downturn one day," Sallin says. "But we know the time is good right now."

Today, Cherry Lake Tree Farm is a landmark in Groveland. For what seems like a couple of miles on U.S. Highway 19, trees are lined up in rows in various sizes. Some trees are more than 10 years old and cost thousands of dollars. Others are new trees, fresh out of the greenhouses. Inside, Cherry Lake Tree Farm is as intricate as an ant farm, with dirt roads cutting everywhere through the 1 million trees on the property. There's blocks of oaks in rows right next to another block of magnolias. And scattered around, you'll find sycamores, maples, dogwoods, pines and citrus -- just about any type a landscaper or homeowner would want.

In the last four years, in fact, the company has seen more than 87,000 trees planted in the Orlando area alone. That doesn't include the sales all over the Southeast. On one day alone, Cherry Lake filled up 15 tractor trailer trucks for tree shipments across the Southeast. And the projects are large also. One in particular that sticks out is Citrus Park Mall, during which the developer paid nearly \$400,000 for about 260,000 items.

"They stand behind their product," says Darrell Turner of Turner Tree & Landscape, which bought the products for the Clearwater mall. "I don't think there is anyone like them."

"They go a little bit further than other tree farms," says Randy Suggs of Suggs Landscaping, another of Cherry Lake's customers.

But getting to this point has been a series of twists and turns for Sallin, a native of France. Twenty years ago, Sallin worked for a steel company in France, but the company moved him to New York to head up its U.S. operations. Sallin says he expected to stay in the United States for two years at the most. He told his friends and family it would only be a year. But Sallin's family was looking to expand. Already owners of a successful juice company in France, they wanted to diversify by buying some citrus groves in Florida. Since Sallin was already in the states, they asked him to go down and check things out. They ended up buying several groves, which included the one in Groveland and some in Indian River County.

But the one in Groveland only lasted a couple of years. One freeze hit and wiped out several hundred acres. Sallin nursed the citrus back to health, but a second freeze in 1983 finished them off. "We said there was no way we were going to replant," he says. "It was too risky." So, instead,

Cherry Lake started out with 10 acres of trees where there once was citrus. Those acres grew very quickly, Sallin says, in spite of the fact that he didn't know what he was doing. "We had no perceived notion of what we were doing," he says. "We traveled all over the world to look and see what the best nurseries were doing."

One of the things he found was a new technology called grow back. With this, the trees start out in specially designed containers to make sure the roots don't circle around the containers, which greatly reduces the chances of the tree's survival once planted. When the trees are big enough, they are put into a vinyl lining and put into the ground. The lining allows a small portion of the roots to go through, which ensures that they don't circle around the containers. Every one of the trees on the Cherry Lake Tree Farm was started at the farm in the same fashion, and in many times from the same tree. That guarantees that the trees will all be nearly the exact same size and shape. Still, it takes up to nine years for a tree to be ready to sell.

Now that the company has become a success, it is ready to grow, Sallin says, by becoming a public company. But Sallin has a different reason for going public than most companies: He wants it so his employees will have stock options. In preparation for going public, Sallin brought in Ann Graham as chief financial officer. Her resume includes a most recent stint as CFO of Stetson University and CFO of Tupperware Corp. Graham says she always enjoyed working with trees and landscaping at her home and thinks the company will be a success. "I really want to believe in the product," Graham says.

But going public won't be the only way the company will grow. Since there isn't much land left, Cherry Lake is looking to acquire more nurseries. The company already is talking to several potential companies in Florida, Georgia and Texas, but they wouldn't say whom. Sallin says consolidation is needed in the industry. "This is a \$60 billion industry, but there is no one really big," Sallin says. "There are more than 10,000 registered nurseries in Florida alone."