

IGC Independent Garden Center Magazine

IGC 'BEST OF SHOW' ISSUE 2016



FROM THE IGC SHOW



OFFICIAL PUBLICATION

SINCE 1955, INDEPENDENT AND PROUD OF IT!



PSRRT STD
US POSTAGE PAID
MAILED FROM
ZIP CODE 54911
PERMIT 23

ELECTRONIC SERVICE REQUESTED

2873 Saber Drive
Clearwater, FL 33759

RISING FROM THE ASHES URBAN GARDEN CENTER: Retailing After the Fire

NYC'S URBAN GC

rising from the ashes



Damage from a four-alarm fire at its site under NYC's Metro-North Railroad bridge doesn't stop this fierce IGC from greening up the city with all it sells.

Dimitri Gatanas carries a simple, well-worn canvas bag with a faded green logo. Slung over his shoulder, the bag doesn't appear to be anything special - but it's everything to him.

Gatanas' "life bag" holds everything he needs to run his business, Urban Garden Center (UGC), from anywhere: work orders, invoices, to-do lists, extra folders and envelopes, highlighters and small notebooks full of quickly jotted notes and reminders.

On the evening of May 17, a fire tore through the East Harlem garden center's offices and workshop, making national news when it damaged the Metro-North Railroad bridge above it and stranded thousands of commuters during the evening rush hour. No one was injured. The company is working through the insurance process now, and the total estimated value of damages is so far unknown.

Since then, Gatanas works some days in an Italian restaurant in the neighborhood and some days at a table at La Marqueta, an indoor market one block away from UGC. He likes knowing he could work anywhere if needed, thanks to his "life bag."

"I like a little bit of stability. This bag is my stability. I need this thing close by," Gatanas says. "I'm in the service business. I want to make sure my people are serviced, my clients are serviced."

Gatanas' mantra: Keep on going, take care of the customers and run the business, no matter what. Even if a building collapses on the greenhouse, which happened to his maternal grandfather, Dimitri Gravanis, twice. Even in March 2014, when a gas explosion across the street killed eight people and sent a cloud of heavy debris flying into the greenhouse.

continued on page 20

STANDING STRONG IN THE FACE OF FIRE

Dimitri Gatanas (pictured second from left) didn't close shop for a single day, despite the four-alarm fire that tore through Urban Garden Center's offices and workshop. (Pictured from left) Wife Sara, mother Aspasia and father Nicholas stand strong with him in moving the retail operation forward.



NYC'S URBAN GC



rising from the ashes



Damage from a four-alarm fire at its site under NYC's Metro-North Railroad bridge doesn't stop this fierce IGC from greening up the city with all it sells.

Dimitri Gatanas carries a simple, well-worn canvas bag with a faded green logo. Slung over his shoulder, the bag doesn't appear to be anything special - but it's everything to him.

Gatanas' "life bag" holds everything he needs to run his business, Urban Garden Center (UGC), from anywhere: work orders, invoices, to-do lists, extra folders and envelopes, highlighters and small notebooks full of quickly jotted notes and reminders.

On the evening of May 17, a fire tore through the East Harlem garden center's offices and workshop, making national news when it damaged the Metro-North Railroad bridge above it and stranded thousands of commuters during the evening rush hour. No one was injured. The company is working through the insurance process now, and the total estimated value of damages is so far unknown.

Since then, Gatanas works some days in an Italian restaurant in the neighborhood and some days at a table at La Marqueta, an indoor market one block away from UGC. He likes knowing he could work anywhere if needed, thanks to his "life bag."

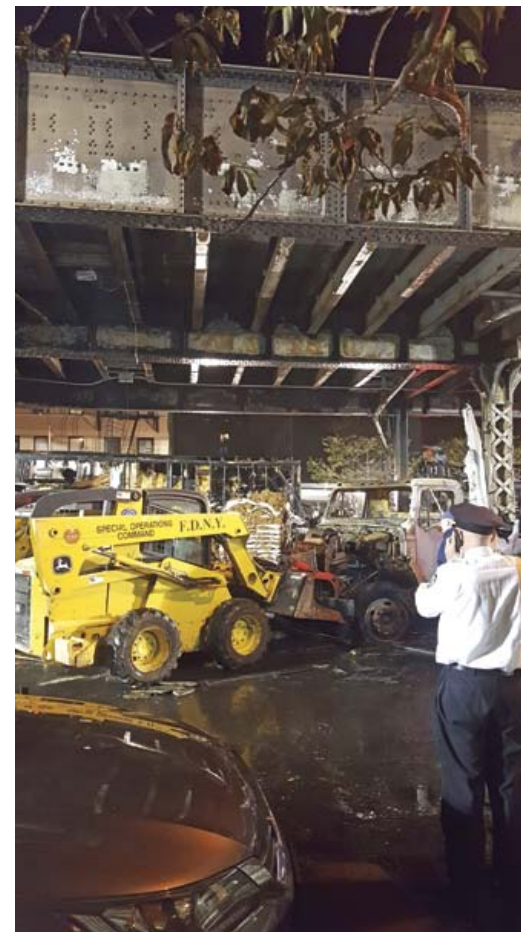
"I like a little bit of stability. This bag is my stability. I need this thing close by," Gatanas says. "I'm in the service business. I want to make sure my people are serviced, my clients are serviced."

Gatanas' mantra: Keep on going, take care of the customers and run the business, no matter what. Even if a building collapses on the greenhouse, which happened to his maternal grandfather, Dimitri Gravanis, twice. Even in March 2014, when a gas explosion across the street killed eight people and sent a cloud of heavy debris flying into the greenhouse.

continued on page 20

STANDING STRONG IN THE FACE OF FIRE

Dimitri Gatanas (pictured second from left) didn't close shop for a single day, despite the four-alarm fire that tore through Urban Garden Center's offices and workshop. (Pictured from left) Wife Sara, mother Aspasia and father Nicholas stand strong with him in moving the retail operation forward.





Business as Usual

That Wednesday morning this past May, after the fire, Dimitri's mother, Aspasia, answered the store's phone. She and Dimitri's father, Nicholas, along with her son Alexander and Dimitri's wife Sara, all work in the business. She reassured callers that the business was open, as usual. It helped that the retail operation and greenhouse were not damaged, and that the fire marshal had retrieved Dimitri's life bag from his charred office the night of the fire.

"Everything gets knocked out of you," Dimitri says. "Your soul is just exposed, and you don't know what to do. You want to crawl up into a ball - that's the first reaction. But the reality was that we had to just keep our heads up, deal with whatever we had to deal with at the time and then get to work the next morning and continue rolling. The last thing we wanted to do was have our customers worry. We had a lot of concerned customers and friends and neighbors, but I also had a lot of customers who said, 'I heard about your accident, however, I just want to make sure you guys are coming today. I need those blue hydrangea.'"

So UGC brought in more flowers, more plants, more product. "We filled the store up," Dimitri says. "We kept it a happy place, despite all the fire inspectors and news crews and all that stuff. It was a pretty wild time."

The fire started when UGC workers poured gasoline into a generator and there was a spark, says Dimitri. Officials and commuters alike have expressed surprise that a garden center would be allowed to store fuel and flammable materials under a vital piece of transportation infrastructure. UGC received four summonses from the New York City Fire Department related to the storage, handling and use of liquefied petroleum gas, according to *The New York Times*. They will fight those violations at an upcoming hearing, Dimitri says.

In the fire's aftermath, UGC's permission to operate in its unique and gritty location appeared in jeopardy. But by the end of June, that storm had passed. Dimitri believes the near-term future of his location is secure. He made arrangements for temporary offices, and is planning to open a new nearby offshoot, Urban Garden Cafe, this winter.

"We made a mistake. It was an accident. We're owning up to the accident. I'm upset that people experienced something negative," Dimitri says. "We're not going to allow that to define us. We're going to allow it to lead us into the future."

Greening the Urban Jungle

UGC is unlike any garden center you have ever seen. It operates under a train bridge, along the length of two city blocks in the middle of Park Avenue, between 116th and 118th Streets, making 117th Street the boundary between the store's retail block and the block where the offices, storage and the workshop were located.

The store's roof is the underside of the train bridge, and its walls are fences running the length of those city blocks. A combination of chain-link and salvaged windows and fence sections separates the retail area on one side from the two northbound lanes of Park Avenue and on the other from its two southbound lanes.

Even though a small greenhouse is the only structure, there is a sense of complete enclosure in a jungle-like bubble. Light streams in at various angles from both sides - from 9 - 10:30 a.m. and 1:30 - 3 p.m. - so plants and the retail greenhouse are placed along the outside edges.

URBAN GARDEN CENTER

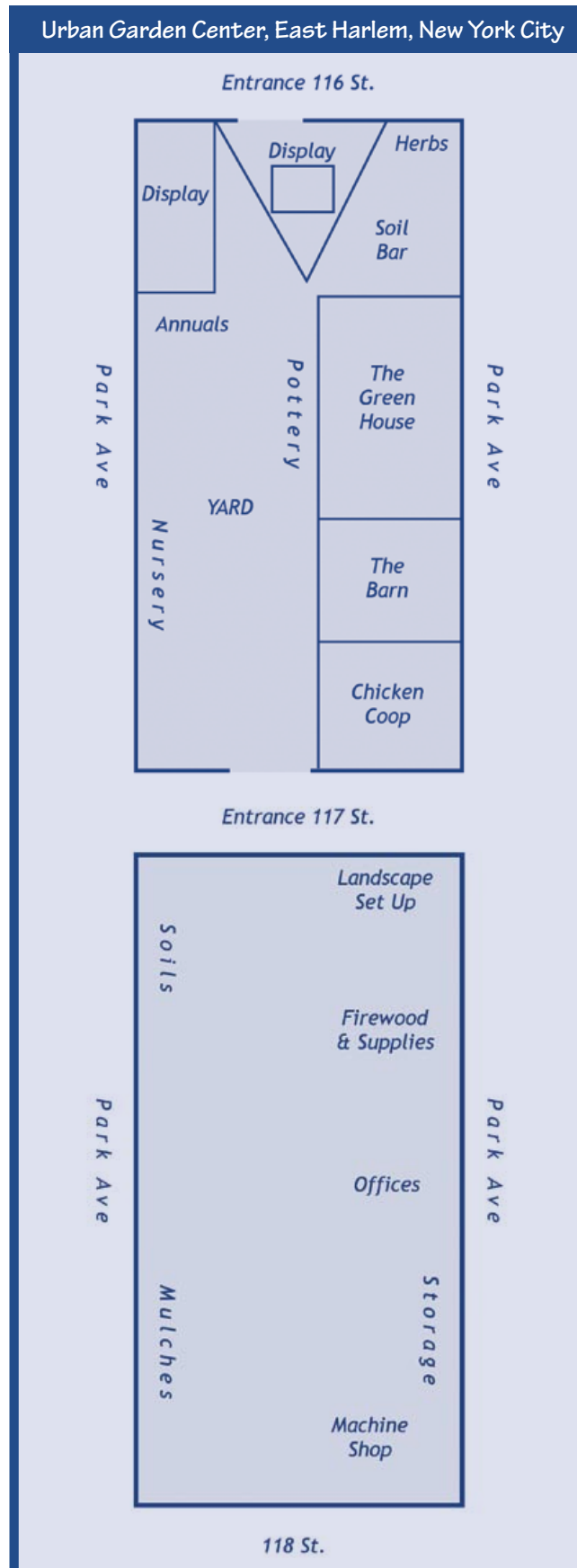
The space is jam-packed with an eclectic mix of plants, supplies, antiques and rustic containers of repurposed, salvaged materials. A tree is parked in a white antique bathtub. A manual typewriter pokes out among the plants. Festive twinkle lights are strung across the peak of the greenhouse. A gazebo-like structure made of the recycled trunks of discarded Christmas trees is full of plants and greets customers near the entrance on 116th Street.

Industrial meets salvage in a lush jungle with antiques, a chicken coop for the store's community composting, quirky finds like street signs and safety cones - all amid the 110-decibel rumble of a train running overhead every so often. But employees and customers alike seem so used to the sounds of the train, honking cars and sirens that they just keep on talking.

Not Your Grandparents' Garden Center

Dimitri's vision for UGC has been to reinvent urban IGC retailing into a year-round, lifestyle store rooted in plants and big on both community and sustainability. He wanted to show what could be done with a "wasted" space under a train bridge, where there was no electricity and no running water. UGC received electricity last fall on its retail block - which had previously created a need for generators throughout the property and a continued need on its workshop and storage block. For the first five years,

continued on page 22



URBAN GARDEN CENTER

it had no running water and hydrated plants by water truck or by filling huge bins from a water source, then filling watering cans.

Dimitri shed nearly everything about a squeaky-clean, suburban garden center with all the amenities and the operation his grandparents founded in 1959 and ran for decades on Manhattan's Upper East Side, then East Harlem. He even scrapped the name, Dimitri's, and started over with a simple, descriptive name.

Before then, he'd even tried to escape the garden center business entirely in favor of real estate. He helped his grandparents buy property, and they were required to operate a business on it. In 1999, his grandmother

and uncle - who had helped run the business after his grandfather died - did not get along and parted ways. Dimitri offered to help out temporarily.

"All of a sudden, my uncle throws the keys down," Dimitri says. "I said, 'Look, I'm going to come in for two weeks and help you out. I can't stay here long.' Two weeks turned into six months, six months turned into 16 years. I had it in me."

In time, he tried to run a conventional garden center in the Bronx, but there were three problems: it was conventional, the location proved challenging and the recession hit.


Meanwhile, the idea of a sprawling outdoor

marketplace under the train tracks kept popping up. And it was in East Harlem, where the family had a garden retail legacy. "We want to be there. I feel like I've invested a lot of time and energy in a community that I believe loves us back. We love them as much as they love us," Dimitri says.

Before the spring of 2011, it popped up again. He put a proposal together for the city.

"So I said, 'I'll take it.' Not even 'how much?' We're in. We'll take it. No water, no electric - no this, no that. I didn't even think about it. You know what I thought about? Land in Manhattan that has this urban vibe that we always wanted to be a part of, that was always

igc retailer vital stats

cover story exclusive 

Business Summary

BUSINESS FOUNDED 1959 - 2009, Dimitri's Garden Center; 2010, Urban Garden Center
RETAIL LOCATION New York City
PERCENTAGE RETAIL 59%
PERCENTAGE LANDSCAPE DESIGN 40%
PERCENTAGE RE-WHOLESALE 1%
CUSTOMER COUNT Up 10%
AVERAGE SALES TREND Up 10%
AVERAGE SALE PER CUSTOMER \$142

Local Market

CUSTOMER RADIUS, IN MILES 25 miles
NUMBER OF PEOPLE IN RADIUS 2.5 million
NUMBER OF GARDEN CENTERS IN RADIUS 10+ (none in Manhattan)
NUMBER OF BOXES AND MASS MERCHANTS THAT SELL L&G IN RADIUS 10+

Estimated Space Allocation

TOTAL RETAIL 20,000 square feet (10,000 square feet for office/workshop/storage/parking)
OUTDOOR SALES 8,000 square feet
INDOOR SALES 2,000 square feet

RETAIL GREENHOUSE 2,000 square feet
LANDSCAPE STAGING 10,000 square feet
STORAGE WAREHOUSE 5,000 square feet
TOTAL PRODUCTION AREA 20,000 square feet
DISPLAY GARDENS 500 square feet

Hours of Operation

Mon - Sun, 9 a.m. - 7 p.m.

Employees

FULL-TIME Off season - 2, Peak season - 4 **PART-TIME** Off season - 2, Peak season - 10+ **DEPARTMENT MANAGERS** 3

Payment & Registers

CREDIT CARDS 87% **CASH** 3% **CHECK** 7% **IN-HOUSE CHARGE** 3%
NUMBER OF REGISTERS YEAR ROUND 1; Peak season - 2
POS SYSTEM Square

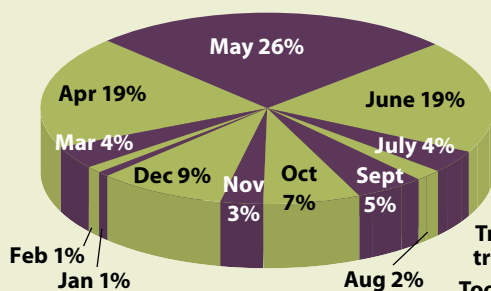
Industry Associations/Group Affiliations

Metro Hort Group

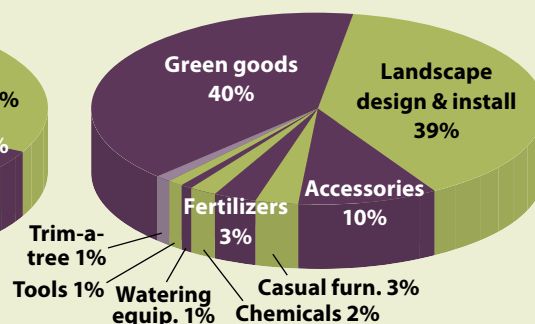
Industry Distributor/Trade Shows & Markets

AmericasMart, MANTS, NJ, NPJE, NY Gift Show

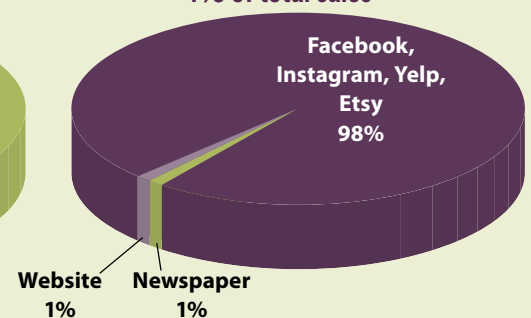
Monthly Sales Percentages



Product Category Breakout



Advertising Expenditures: 1% of total sales



URBAN GARDEN CENTER

sort of like my little peripheral dream. And now I have this opportunity.”

The other bit of good timing was that the business could use smartphones for phone service and to ring up customers instead of a landline, make smart use of social media instead of advertising and use new mobile tech tools.

There is definitely a vibe of you-never-know-what's-going-to-happen here - and that works both ways between UGC and its customers and neighbors.

Prior to the fire, UGC regularly hosted a steady stream of events: field trips for school groups, art shows, fashion shows and live music. On the back side of its retail block, it has a bar made of reclaimed wood and a rotisserie for roasting a whole pig or lamb for events. Dimitri and co. use social media to promote events - and to let people know when they can pick up free compost produced from the chicken waste and the food scraps people drop off.

“People love it here,” Sara says. “I think they don’t expect something so big and so full of plants.”

Damage Control

In late June, about 6,000 square feet of space housing UGC’s back-end operations remained closed and unusable. A makeshift workshop is set up on the retail block, with electricity, and the retailer no longer operates anything that requires fuel aside from vehicles. Events are on hold, as is a community-supported agriculture program.

The recent fire destroyed tools and Dimitri’s collection of antique garden books, some of which had belonged to his grandfather. Some neighbors’ cars were damaged, and neighboring businesses were closed for a day or two.

In the days following the fire, says Dimitri, it was a “tale of two cities.” Support from friends and those who knew the family and understood, and public scorn from commuters and some officials.

UGC was cited, and is in the process of fighting those citations.

“All the fire code concerns and all that good stuff about the business itself and how it’s run - we’re in compliance with those things and we feel good about that stuff,” says Dimitri.

At the time, he did not worry about public disapproval from commuters. But he did

worry about a clause in UGC’s lease with the New York City Economic Development Corporation that states a fire under any circumstances could lead to eviction.

Ten days later, the lease issues were resolved, and the agreement was renewed at an increased fee, \$5,100 from \$4,500 per month, according to *The New York Times*.

For two weeks, Dimitri did not speak to the press (except for *IGC Magazine*). Then he returned a request from the same *New York Times* reporter who had previously written about the garden center.

“For some reason,” Dimitri says, “people were curious about this story. I didn’t believe we were going to represent ourselves well fighting from day one. You know, I just saw that it was a tidal wave. What do they say about a tidal wave? If you see a big wave coming, you get under the water and you swim it out - that’s what we did.”

Their interview resulted in a *New York Times* story that told UGC’s point of view. Then the press coverage quieted.

Meanwhile, Dimitri is dealing with an active insurance process that has gone smoothly, he says. UGC carries general liability, umbrella, property insurance and business interruption service. There are, Dimitri says, “no issues regarding the flammables that are alleged to be in violation. We don’t believe our company violated any rules.”

One good outcome of the fire, he says, is that it increased awareness about enhancing the safety of these locations for his and other businesses. For a long while, he’s tried to create a dialogue with the train authority via the city, so that when there is work being done on the tracks, UGC and the train authority can protect its customers and employees from anything falling from above.

At press time, Dimitri is still working out of his “life bag” and has a plan for a temporary office and a new cafe by wintertime.

His advice for other entrepreneurs: Read the fine print on every agreement. “These things in the lease that you don’t read? Read them so that you know what will happen,” he says.

And be as prepared as possible for the unexpected.

“It’s how we’ve grown our business anyway,” Dimitri says. “We have detours. We have roadblocks, and we deal with them.”

- Lisa Duchene, IGC Retail Correspondent