

Ron and Michelle grow to international market

by Philip Hopkins

Sitting in his Neerim South living room, Ron Geritz tweaks his iPad and images live from a farm near Shanghai in China spring to the screen. Ron then changes the angle of a camera on site - there are 16 cameras all up - and the picture pans to show what is a massive tree farm, with growing trees and glasshouses clearly visible.

That tree farm is effectively the "baby" of Ron and his wife and business partner, Michelle Jones, who are the managers and developers of the project on behalf of a group of Chinese investors.

It's two years since the couple first signed a 10-year service agreement with Orisis Landscape. That tree farm, 40 kilometres south of Shanghai, now has 50,000 trees, with 40,000 of those imported from Oregon in the US; 2000 square metres of glass houses from Israel; imported potting mix from Holland; and irrigation technology from Israel.

"The farm is in a typhoon area, which creates a few problems, and it also floods," Ron said. Controlling this venture from Neerim South means a lot of travel; Ron spent 16 weeks away last year, has been to China four times this year and just recently returned from the US.

The scale of operations is what has shocked the couple, who own the well-established Blerick Tree Farm at Neerim South. "It's a different playing field - you're dealing in millions of dollars instead of thousands," said Michelle.

A China venture was not in the thoughts of the couple when they began their family business just under 20 years ago. Ron and Michelle, now in their mid-40s, met while studying zoology at Monash University.

Both were teachers after that; Michelle taught maths and science at St Paul's in Warragul and Neerim South College for 15 years, while Ron taught the same subjects at Warragul High School and Marist-Sion College.

They began planting trees on their two-hectare block at Neerim South to help pay the rates, planting 100 seedlings initially. That grew to 1000 the following year, and 1000 plantings followed year after year. "At \$25 each, that meant \$25,000 a year, more than enough to pay our rates," said Ron. "We learnt on the job, such as how to do a graft."

Their science background helped. "We can pick things up, we can research and look up information," he said.



Ron Geritz, managing director of Blerick Tree Farm, shows a weeping mulberry tree.



The international business is now a family business with Michelle Jones the general manager (above) while Ron and Michelle's son Lachlan Geritz, is helping out with the business management (right).



Ron's semi-retired father became their agent, selling the plants as wholesalers to 25 to 30 nurseries in Melbourne. "We had a credit card overdraft, paying off the credit card with a tax return. It was a hand-to-mouth business," said Ron.

Blerick Tree Farm - named after the Dutch town where Ron grew up before emigrating to Australia aged 15 with his parents - was up and running. "Within five years, we had outgrown the land, planting 15,000 trees a year, but it was full," he said.

While pondering their business future, the dynamics of the retail market forced their hand. The rise of the giants Bunnings and Hardware House killed the little nurseries. "We were losing our customer base, so we began to sell direct to the public and put up the trees," Ron said.

Their business was helped by the growth of garden shows on television, and the trend towards home improvement. People began to buy more potted and larger trees. They even appeared on The Block television show.

Ron and Michelle also decided they were operating at the wrong end of the market. "We decided to go the value-add route and increase the range of products, taking them to a higher level - a 150 litre tree, four metres high, sells for \$550," he said.

"We add value to the product all the way. That has been the focus for the last 10 years, working that formula more and more. Now, we have 10,000 trees in pots at any one time, plus a network of growers with contracts to Blerick, all throughout Victoria."

Over time they have systematised the business, buying seedlings and then organising the business on the basis of maintenance, pruning, potting, producing a constant product, with a focus on international standards, and better production methods. A future development is that the trees, like cattle, will be tagged and their maintenance and development monitored electronically.

Another farm 800 metres away, about 17 hectares in size, was acquired. There, in-ground trees, including super advanced trees, are grown in special containers in the ground, all to particular sizes. "The aim is to produce the perfect tree," said Ron.

A target market is commercial developers and architects, but 80 per cent of sales are now direct to the public. Buyers come from all around Victoria. The emphasis is on personalised service.

Blerick now produces 150 different tree products - native, deciduous and fruit trees - with niche markets in areas such as advanced lemon trees for the terrace market in Melbourne. Their son Lachlan, who is studying business at university, is helping out.

Ron said the growing conditions at Neerim South were ideal - ancient volcanic soils, "one of the top soils in all Australia", and high rainfall.

It's not just a business. "We love trees. We are passionate about growing them," said Michelle. Ron's favourite is the Golden Elm, grafted from Holland, while Michelle's is the Autumn Blaze - a Canadian maple.

It was two years ago that they were approached by the Chinese investors whose aim was to become the biggest tree grower in China. They found Blerick through the internet. "They had no experience in growing trees. They needed help from the ground up," said Ron.

The initial farm set up is the prototype. The next farm will be more than 120 hectares. "That will allow a production target of 450,000 trees - a 10-fold increase," said Ron. A third farm, 200 hectares in area, in two year's time, will have a target of 600,000 to 700,000 trees.

Michelle, Ron and Lachlan took part in the recent state government-led trade mission to China. The aim was to organise the permits that will allow Blerick to grow trees at Neerim South that can be exported to China. This would supplement the US tree acquisitions and create more jobs at Neerim South.

Ron and Michelle are thriving on the challenge. "We are a typical small business - we can't sit down for too long. We get bored," he said.



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