



MARK HIGHLAND'S ORGANIC MECHANICS IS BLOOMING.

Pay dirt

A soil scientist's organic product bears fruit

Mark Highland didn't need to dig up a lot of cash to start Organic Mechanics Soil Company: just about \$400,000, with an expected payout within 10 years. But potential investors always asked the same question: "Can you really make money on dirt?"

"They were not gardeners and they just didn't understand," Highland says of his 2006 investor search. At that time the market for U.S. specialty soils was \$390 million, and in 2010 the entire U.S. garden market (plants, soils, supplies and tools) was worth \$100 billion. Behemoth brand ScottsMiracle-Gro was (and still is) the category leader, but there wasn't an organic alternative available on any sort of scale. Highland, who holds a master's degree in public horti-

culture with an emphasis on compost and soil science, wanted to develop an environmentally sustainable potting mix.

"My goal was to offer alternatives to what has been sold for the last 50 years," Highland says. So he did "what a lot of entrepreneurs do: worked all day on the company and worked at night waiting tables and turned to friends and family as investors."

His plan worked. Founded in 2006, Organic Mechanics is now profitable and will pay off one of its first low-interest business loans this year. The seven-employee firm, which started with just one product, now sells nine different SKUs on the East Coast and in the Midwest at independent garden centers and Whole Foods Markets.

Instead of peat, Organic Mechanics'

mixes contain compost, which Highland says requires less watering and is reusable for a second season, another green aspect attractive to serious gardeners.

While it might not seem like a boon to repeat business to market a reusable product, Highland says, "gardening is an addictive hobby. Once you start, you try to do more and more. If you started with two containers on your patio this year, you want four next year. We have seen this in our growth."

Organic Mechanics also produces soil under private labels for independent garden centers, such as Bethesda, Md.'s American Plant.

"When we sent our consultant to check out all the high-end soils, he came back and told us that Organic Mechanics' were the Cadillac of soils," says Todd Shorb, CFO of American Plant. Highland's product was the first compost-based potting soil available on the East Coast approved by the Organic Materials Review Institute.

Because Organic Mechanics products cost \$1 or \$2 more than the competition, the firm and its retailers convey to customers that they'll see a savings in watering costs, as well as improved results in terms of bigger flower blooms and better fruit and vegetable crops. In fact, education is part of the business strategy. Highland gives lectures at botanic gardens, the Philadelphia International Flower Show and to master gardeners. He's also helping grow the next generation of gardeners by donating product to schools.

In the first few years of business, Organic Mechanics' revenue increased by 50 percent annually; this year saw an 18 percent increase over 2010. Highland expects to hit the seven-figure revenue mark in 2012 and is already planning an expansion of the company's Modena, Penn., headquarters.

Though gardeners in the South and Northwest are anxious to get their hands into Organic Mechanics' products, Highland has no immediate plans to grow beyond the mid-Atlantic, Northeast and Midwest.

"We need to saturate those markets first," he says, "before we go outside the region." —MARGARET LITTMAN