



Motivating People



The CEO of NatureSweet on What Happens When You Champion Workers

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by Rodolfo Spielmann

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Sarah Wilson

Pop open any package of NatureSweet cherry or grape tomatoes, turn over the top, and on the underside you'll find a face looking back at you—a portrait of one of our associates printed on the sticker. It might be Paco Herrera in maintenance, Rocío Cortés in packing, Jessica Lara in preharvest, Gloria Vargas in food safety, or any of about a hundred others. And with each one you'll find a QR code and a URL to access more information about their lives and jobs.

Why are NatureSweet team members featured so prominently in our packaging? It's simple: They are the beating heart of our business. Their hard work is the reason that our greenhouse-grown tomatoes look and taste so great. Those portraits and the profiles on our corporate website are one important way in which we show our appreciation. But we don't stop there. We also offer full-time employment; competitive wages; safe and comfortable working conditions; and training, development, and educational opportunities, including a new pilot program that will allow the first class of 30 participants to earn their bachelor's degrees in agriculture by 2028.

In an industry known for high turnover and poor treatment of primarily migrant laborers, we are happy to stand apart as a B Corp–certified enterprise with high scores for positive impact on our workers and an exceedingly low attrition rate of about 1% a month, compared with the industry's annual rate of more than 200%. Our business practices have helped us achieve double-digit growth over the past five years (accelerating in the past two) to well over \$500 million in sales. As we expand into new products—peppers and cucumbers—and joint ventures, we expect success to come through the same strategy: putting people first.

Our intention is to inspire other organizations that want to improve their front lines and reap the resulting rewards. We are demonstrating that there's no conflict between doing the right thing and being highly profitable. In fact, the former is the reason for the latter.

Differentiating the Brand

NatureSweet started not with the tomatoes we're now known for but with the facilities we use to grow them. Our founders had an innovative new greenhouse design they wanted to market in the United States, so in 1990 they erected a few facilities in Texas and planted them with

tomatoes to show the consistent, high-quality, year-round crops they would yield. They soon realized that a better business model could be built around the tomatoes than around the greenhouses, so they pivoted.

In the early 1990s a private equity group, Silver Ventures, bought the nascent company and decided that it should differentiate itself not just in its controlled-environment growing methods but also in its purpose and approach to talent and marketing. The goal was to be a new kind of produce company: one that could pay its workers higher wages because they were able to be more productive than competitors' teams and could grow tomatoes worthy of a premium brand for which consumers would pay extra. Before NatureSweet, most grocery store shoppers bought large tomatoes in season and squeezed them to see if they were ripe. We focused on cherry and grape varieties and put them in our signature domed containers with the promise that, owing to our specialized greenhouses and committed associates, they would be of the same high quality 365 days a year.



Alma Isabel Ponce Castillo harvesting snacking tomatoes. Courtesy of NatureSweet

Ever since then NatureSweet has stuck to empowering our frontline team members, most of whom are based in Mexico, where the majority of our greenhouses are located to take advantage of the near-constant heat and sun. New hires go through an intense training program that lasts several weeks and equips them to become more productive. While they're in training, they receive a bonus that brings them up to the median industry wage. After that they are compensated according to their productivity and quality of work. If they work hard and are good at what they do, they will make a lot more money than they would in a comparable job at another company. If they don't work hard and aren't good at what they do, they won't. That system has led to industry-beating productivity and quality, which allows us to pay 40% above the median wage in the industry.

The personal development, promotion, and community building we do is just as important as the money to our workforce, which now includes more than 6,000 people in growing, grafting, and packing facilities in Colima, Nayarit, San Isidro, Tuxcacuesco, and Zapotlán; about 2,500 people in joint ventures; a few hundred in our Bonita plant in Arizona; and about a hundred marketing, sales, and supply chain associates and other executives at our headquarters in San Antonio, Texas.

We think about all this in terms of Maslow's hierarchy of needs. A living wage and performance-based incentives allow our associates to provide themselves and their families with food, shelter, healthcare, and basic education. Beyond that, they want to acquire the knowledge and skills that will lead them to better jobs and lives and to know that they're working for an organization that supports their communities.

That's why we have helped more than 2,300 of our associates complete elementary school, middle school, or high school and are now supporting some of them in the pursuit of higher education through

our bachelor's degree program. We also employ on-site psychologists in every plant. And we've established corporate responsibility programs that have touched more than 200,000 people in the areas where we operate. These include Sweet Life and Sweet Family—programs that offer an array of services such as psychological counseling, training in healthy interpersonal relationships, and comprehensive wellness initiatives.

Maintaining Purpose, Tweaking Processes

I joined NatureSweet as its CEO in 2019, after a long career in larger consumer-goods companies. I was born in Chile and studied industrial engineering, which was a great education in thinking through and tackling challenges. But I didn't want to spend my career building literal bridges. I was more interested in metaphorical ones—those between employee and employer and consumer and brand. I took a job at Procter & Gamble introducing detergents in my home country and Brazil. I then moved to Heinz in the United States, where I led marketing in a newly created pet-treat business, and then to Del Monte, where I managed companywide innovation and rapidly expanded the Fruit Naturals brand (my introduction to produce) after successfully turning around and then selling the company's packaged tuna business. After that I joined Mars, where I first oversaw its Caribbean and Central American operations. Then I moved back to the United States, where I led the company's global natural-pet-food subsidiary.

All that was perfect preparation for the challenge and opportunity of leading NatureSweet into its next chapter. When I joined, the company was overextended and had just logged the first unprofitable year since its founding. Though I had little experience in agriculture, I knew how to surround myself with good people, engage a workforce, run a streamlined business, and enhance an existing brand. I believed that we could double down on our purpose while bolstering our bottom line.

Our commitment to our workers was sacrosanct, but there were ways to improve the business. That is, I never contemplated changing what NatureSweet is, only how we do things—our systems and processes. One avenue was better connectivity with seed companies, for which we hired a chief scientific officer. Another was further decreasing the variability in our yields by using more-advanced weather and yield-forecasting models. We used to see weekly fluctuations of plus or minus 20%; they're now close to 4%. Two underperforming facilities needed to be closed, but we worked with the unions to limit layoffs and relocated associates to other areas. They wanted to stay with us because they knew we would continue to support their careers at the company. We have since reopened both plants under more-sustainable business models that allow us to expand and grow. Similarly, I made two other C-suite changes to enable more accountability and cohesion. I brought in a top-tier CFO to streamline our organizational systems and processes, and I phased out a role dedicated to new categories, eliminating duplication within the company.

We also focused on better execution. For example, I met with the members of our operations team and showed them the past three years' worth of data indicating that costs had risen while quality and reliability had slipped. I asked whether they wanted me to hire someone to help them figure it out or to do it themselves. They chose the latter option, worked on it for two days, and developed a plan to improve on all three metrics—which, post-implementation, we quickly did.

Spotlighting Our People

The NatureSweet brand was already strong, but we knew we could do a better job of communicating our corporate values through our products. That's when the idea of featuring associates on our packaging arose. To truly understand our story, we realized, you need to know our people.



NatureSweet packaging with information about associates; illustrations for NatureSweet's "Under the Label" program Courtesy of NatureSweet

When we put out the first round of sticker portraits, we received some 1,000 calls within the month complimenting us for them. Now it's a tradition and a way to connect consumers with the heroes of our story. The featured associates are nominated by their colleagues, and every year we make another set of portraits. Video interviews with the people pictured in them are posted on our website. And we've created a way for customers to send notes and videos to us. Grandmas write to say they love explaining to their grandchildren where their tomatoes come from. A rabbi in New York told us he'd been collecting the portraits and asked when the next round was coming. (In the summer of 2024 we partnered with Little League Baseball and Softball in a contest to promote healthful snacking that we called Play Dugout Delights. During the contest a QR code briefly replaced the faces of our associates on stickers.)

Through this initiative we show consumers what we value most. Unlike food producers that might regard migrant labor as a commodity to be acquired at the lowest possible cost, we consider our associates to be

our greatest asset, and we support them accordingly. As a result, they can be trusted to do the right thing for NatureSweet. When you are running several hundred greenhouses across Mexico and Arizona, each one its own growing operation, that kind of personal accountability and initiative is critical.

Over my five years at the company we have never struggled with staffing. We're so embedded in our local communities that most people in them know us as a good employer, and a large percentage of new hires are referred by current associates. In fact, some parents have brought their children into the fold. For example, Leticia López works in packaging, and her son, Emmanuel, is an engineer for us.

We want to see more companies adopt our approach with their frontline workforces—shifting from a labor-relations mindset to one that is focused on talent management. As a founding partner of the Equitable Food Initiative, we have long worked with like-minded organizations such as Oxfam America and Costco to outline and share best practices. We also pursued fair trade certification, which we received in a speedy six weeks (as opposed to the usual yearlong process), and we shored up all our environmental, social, and governance programs to earn B Corp status. We are opening our playbook to encourage others to replicate what we're doing so that the entire industry will have a more positive impact on the world.

Silver Ventures recently sold NatureSweet to Blue Road Capital, and the new owners remain committed to our mission of transforming the lives of agricultural workers by building a great, vertically integrated food business around them. We hope to learn from the other successful, purpose-driven companies in Blue Road's portfolio, such as Sweet Harvest Foods, which owns Nature Nate's Honey; Diamond Foods,

which produces and sells nuts; and B&W Quality Growers, which focuses on specialty greens.

We face challenges, of course, including the devaluation of the dollar against the peso, which has made it more expensive to operate in Mexico. But as we expand operations into the United States and eventually Canada, and sales into Mexico's growing grocery market, and as we embrace new categories of produce, we are still targeting double-digit growth. There's no question where the credit for that future success should go: to Paco, Rocío, Jessica, Gloria, and the thousands of other hardworking NatureSweet associates.

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