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This company has a \$30 million business built on cashews. Here's how it is going to get to \$40 million

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Tierra Farm has acquired a small seed blend company out of Maine, as the wholesale organic products company in Columbia County looks to add new revenue streams.

CEO [Todd Kletter](#) said the company it acquired, [Power of 3 Nutrition](#), will not add significant revenues to Tierra Farm in the first year, but the acquisition offers a door into the lucrative [billion dollar](#) protein powders industry.

Tierra Farm roasts and sells nuts and dried fruits and coffee products to cooperative markets and independently-owned grocery stores across the country. Local customers include Healthy Living Market and Cafe in Saratoga Springs and Honest Weight Food Co-op in Albany.

The company has grown revenue significantly in the 18 months since Kletter joined. He said he expects revenue to exceed \$30 million this year. It was around \$28.5 million in 2018 and \$21.4 million in 2017.

"\$30 million is great," Kletter said. "We want to get to \$40 million and not reinvent the wheel."

Kletter has managed that growth by [changing the company's management style](#), doubling West Coast distribution and discontinuing items that were not selling well.

"We have been more selective. One thing we've recognized at \$30 million, this is a learning curve and you can get ahead of yourself because volume increases and number of accounts increases," Kletter said. "We were starting to sell the wrong types of products to the wrong places."

The company looked at profitability and competition on certain products and decided to stop selling dried fruits like California raisins. Kletter said cashews are five times more profitable than raisins, but weigh the same to ship.

Tierra Farm has also decided to stop selling to certain companies. For example, Tierra Farm has limited the raw bulk items it sells to granola companies that compete for the same shelf spaces as Tierra and meal kit companies that request discounted items.



COURTESY OF TIERRA FARM

Tierra Farm has seen significant growth over the 18 months since Todd Kletter joined as CEO.

Tierra Farm is expanding into markets where the company can have more visibility, such as a Tierra-branded grab-and-go line selling single serving nuts in flavors such as sea salt cashews, maple mixed nuts and tamari almonds.

After making those changes, Kletter said Tierra Farms' profits grew 40 percent last year.

Kletter took over as CEO in 2017 from Tierra's founder and president, Gunther Fishgold, who started the business as an organic vegetable farm in the Finger Lakes region. Fishgold began roasting nuts as a way to generate income in the slower winter months. He moved the business to Valatie in 2005. Today, Tierra Farm has around 60 employees.

The business goes beyond wholesale nuts, coffee and granola. Tierra Farm is planning to re-open a store and café in the Madison Theater building in Albany's Pine Hills neighborhood that will sell coffee and other products. That store has been under construction after a new owner bought the building from Fishgold. Kletter said the company's expecting to reopen the store in the next few weeks.

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