

Fostering Connections

An Interview with Jim McCann, Founder and Executive Chairman, 1-800-FLOWERS.COM, Inc.



Jim McCann (right) with brothers Kevin (center) and Chris (left)

EDITORS' NOTE In 1976, Jim McCann bought his first of many retail flower shops in the New York metropolitan area. As his company expanded, McCann focused on innovation and being an early adopter of new technologies that enhanced customer engagement to grow his business. As a result, 1-800-FLOWERS.COM, Inc., was among the first to offer 24-hour service through an 800 phone number and to use the Internet for direct sales to customers, becoming AOL's first merchant partner of any kind in 1994.

COMPANY BRIEF 1-800-FLOWERS.COM, Inc. is a leading provider of gifts designed to help customers express, connect and celebrate. The company's e-commerce business platform features an all-star family of brands, including: 1-800-Flowers.com®, 1-800-Baskets.com®, Cheryl's Cookies®, Harry & David®, PersonalizationMall.com®, Shari's Berries®, FruitBouquets.com®, Moose Munch®, The Popcorn Factory®, Wolferman's Bakery®, Stock Yards® and Simply Chocolate®. The company also operates BloomNet®, an international floral and gift industry service provider offering

a broad-range of products and services designed to help members grow their businesses profitably; NapcoSM, a resource for floral gifts and seasonal decor; and DesignPac Gifts, LLC, a manufacturer of gift baskets and towers. 1-800-FLOWERS.COM, Inc. was recognized among the top 5 on the National Retail Federation's 2021 Hot 25 Retailers list, which ranks the nation's fastest-growing retail companies.

What have been the keys to 1-800-FLOWERS' industry leadership and how do you describe the company culture?

We believe in developing genuine relationships with our customers. We help them express and connect to the important people in their lives. Everyone appreciates being remembered, and that's at the core of our work. Our company also has an entrepreneurial spirit. While we keep our mission front and center, we're eager to embrace new technologies that help us reach more customers in better ways, whether that includes AI, automation or meeting customers where they are.

In terms of culture, we reward staff for experimentation. We encourage people to

dream big while staying outcome focused. For example, last year under the leadership of Melissa Owen and Meredith Weinberg, we launched a digital peer-to-peer support platform called Connection Communities (1800flowers.com/connectioncommunities) powered by an app called Wisdo. This was outside our core gifting business, but we thought that creating a place for our community to have genuine dialogues in online forums dedicated to loneliness, relationship advice, and coping with loss, to name a few, was a risk worth taking. We now have a quarter of a million people in dialogue on our platform. You could say we're relentless in the pursuit of improvement throughout the company.

How did 1-800-FLOWERS adapt its business to address the challenges caused by the pandemic and how proud are you to see the resilience displayed by your workforce during this uncertain time?

COVID-19 has obviously been devastating for many businesses, and we're not out of the woods yet. For us, a company that focuses on fostering connections between people, it was a crucible. Lockdowns and quarantine isolated people, and it was extremely lonely and difficult for many. Not being able to sit with your family and friends is not a natural part of the human experience. We found that we've been uniquely positioned to expand upon our mission during the pandemic. It has been a crucial time to help people express themselves and connect to loved ones from a distance, even if that's just a few frustrating blocks away.

We've continued to deal with all the day-to-day challenges of running any business. Needless to say, the safety of our employees was of the utmost importance. We are always proud of our team, but their resilience and the way they stepped up to serve our community in such a difficult time blew us away.

1-800-FLOWERS is headquartered in New York. Are you optimistic about New York's recovery and rebuilding as you look to the future?

I am cautiously optimistic, because I see great leadership in the business community as well as the not-for-profit and religious sectors. However it takes strong governmental leadership to rally those forces. We have a new governor, Kathy Hochul, and it will be interesting to see how she addresses the economic and community recovery in the state as well

as New York City. Add to that the upcoming city mayoral election, and there are lots of unknowns to factor in. I'm confident that businesses can rally as they have done every time they've been knocked down. Cooperation and commitment to staying and flourishing in New York will be key.

What do you see as the role that nonprofits and foundations can play in New York's recovery and rebuilding?

Business and government programs will be critical parts of New York's recovery. There is a lot of focus on these areas, but no doubt about it, nonprofits are part of this equation, too. Many of our communities are really hurting right now and it's going to take continued efforts by nonprofits to reach the most vulnerable people.

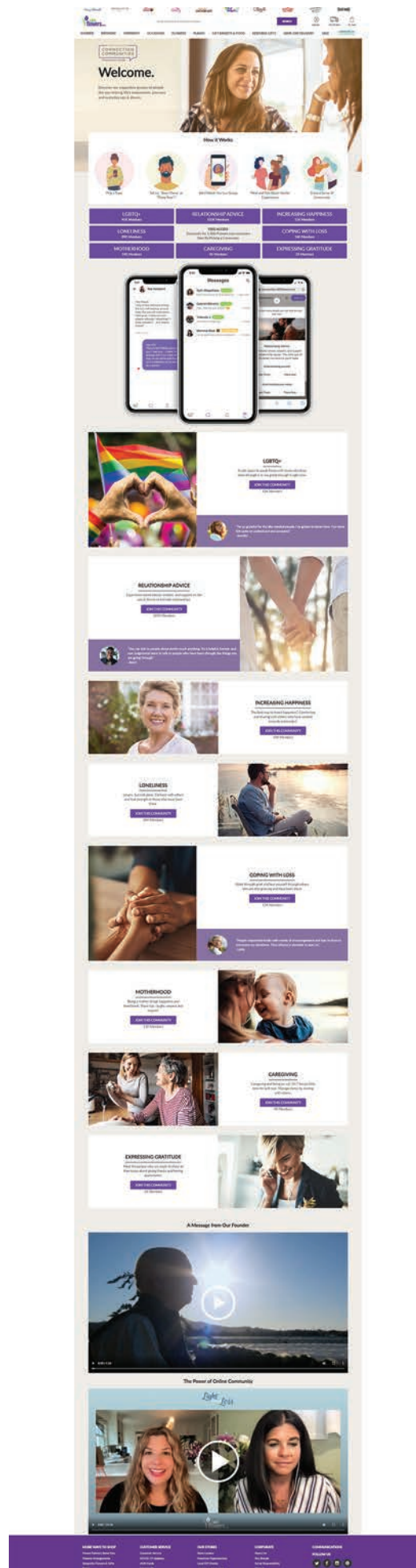
The critical role of nonprofits to New York was spelled out in June by the Human Services Council's Recovery Taskforce. Its report acknowledged that nonprofits have long been a backbone of New York's economic and social fabric. The combination of government resources and private donations provide services to over 2.5 million people in New York each year. That's an impressive number of people served.

However, the current picture is far from rosy. The report goes on to explain the financial crisis facing nonprofits in the wake of the pandemic and urges a substantial increase in government funding. So we find ourselves in urgent need of the services of nonprofits, but there's a severe financial crisis in the sector. The HSC report said a majority – 51 percent to be exact – reported a decline in revenue in 2020, with an average drop of nearly \$9.1 million. HSC estimates New York could lose more than 1,800 nonprofits due to funding cuts and COVID-19 losses.

Obviously, government support is crucial, but there will always be a funding gap. Corporations have an opportunity to step up to support nonprofits with money and expertise, if possible. They need to encourage volunteerism in their workforce. We can also raise our corporate voices in the quest for increased government funding for the nonprofit sector.

You personally commit your time and energy to many causes. How do you decide where to focus your efforts?

My brother Chris and I have dedicated our time and resources to Smile Farms, a nonprofit we founded to create jobs for people like our brother, Kevin, who has a developmental disability. Smile Farms helps solve a real problem – the lack of meaningful work opportunities for this community. It helps people with developmental challenges earn a paycheck and build their self-esteem and confidence through being part of a team, gardening and seeing the fruits of their hard work. The organization now has 10 campuses in New York and is eyeing further expansion. We also have volunteer days for the 1-800-FLOWERS team members who can meet our Smile Farms farmers and get their hands dirty alongside them. That has a tremendous impact on both groups – you can't put a price tag on that feeling of being part of something special.



Connection Communities Internet landing pages

One of our Smile Farms partners is the Independent Group Home Living Program (IGHL), an organization that provides residential, day, vocational and social engagement opportunities for 7,500 people with disabilities in Suffolk and Nassau counties in New York. It's a stellar resource for people with intellectual disabilities, helping them realize their full potential and become contributing and integrated members of our communities. "Having our programs remain operational helped our greater community by employing 3,200 people during the pandemic," said Walter Stockton, the CEO of IGH, when we were talking about New York's recovery. "This allowed the family members of those we support to go back to work as they were able."

What have been some of the additional benefits of your philanthropy?

When you're passionate about giving back to the larger community, it shows, and you can do so alongside likeminded people. Smile Farms truly exemplifies "doing well by doing good." Not only has it brought our family closer together across generations, but it also serves as social glue at 1-800-FLOWERS. I have been so impressed by all the people who consistently volunteer to help Smile Farms.

What do you see as the responsibility that leading companies have to addressing societal need and focusing on more than just the bottom line?

Most large corporations have social responsibility built into their business model – and the word "responsibility" is in there for a reason. If social responsibility is done right, it can also benefit the bottom line. Many consumers want to support companies that positively impact the societies in which they work and do business. Team members also enjoy being part of a company that helps tackle societal need – especially if they can do practical, hands-on volunteering with their co-workers.

How critical is it for 1-800-FLOWERS to build a diverse and inclusive workforce that mirrors the diversity of its customers and the communities it serves?

I believe every company needs to take some time for self-reflection. Are our hiring practices fair and equitable? If not, how best can we encourage broader, more diverse recruitment? As a corporation that holds creating jobs for people with developmental challenges close to its heart, I believe we are aware of the barriers that can keep workers out of employment. We have diversity both on our team and on our Board and will continue to make every effort possible to recruit for diversity of backgrounds, thoughts and experiences.

What advice do you offer young people beginning their careers during this unprecedented time?

Get credentials in your field, then work hard and get "caught" doing it – your boss needs to see what you're doing so you get the credit you're due. Be present. Make sure you're where the decisions are made and show people how involved and engaged you are and that you want to play a role. Assume that the word résumé is a verb and always think about building your résumé of experiences and relationships. Build relationships with a purpose. ●