

A to C: From the Adventure of Plant Exploration to Consumers[©]

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WHERE ARE WE NOW?

The global market for horticultural products has decreased. The shrinking horticultural market is due to the housing market contraction, over production of horticultural products (too many commodity products which were grown for the expanding housing market), and loss of consumers (especially young people) due to them not gardening. The reduction in plant sales per nursery as well as the closure of nurseries in North America is evident. We have seen several nurseries that serviced the national sales in the United States go bankrupt in the past several years.

Between 1999 and 2010, the average dollars spent per household on Do It Yourself “Lawn and Garden” fell from \$532 to \$355 USD. This precipitous plummet was not just a result of the recession. Even in the “boom” year of 2007, the 1999 figure dropped more than \$100 to \$428 per year. The fact is that today’s shoppers want simplicity when they shop, emotional value when they buy, and success when they get home (Baldwin, 2011).

There are fewer students studying horticultural production and plant propagation in college. We see this in the change in membership of the Eastern Region International Plant Propagation Society — diversification of the membership with growers, production managers, propagation managers, garden center employees. This diversification is positive for the Society because, over time, we learn from others that are within the overall supply chain.

Another aspect of the global 21 century life is the rate of change. Everything is changing faster. There has been significant change in the U.S.A. nursery market in the past several years. The rate of change is speeding up. Companies and individuals that can change will be the winners in the future. The rate of change is getting faster — all of us — both professionally and personally, are feeling the pressures. Helping and supporting your staff with these changes is a key attribute of a successful company.

PLANT EXPLORATION

Many of the plants commercially sold have been found as branch sports and seedling variations. Professional breeders of woody ornamentals were few. In the past 15 years, as the globalization of woody plants has increased, more companies are focusing on professional breeding of woody trees and shrubs. This is exciting time to be participating in these endeavors. Plant characteristics such as improved flower, new colors, and disease and/or insect resistance can now be developed. The manner in which these substantial costs are paid for are to have the breeders work with the supply chain. An increase use of plant patents in the United States is occurring for woody ornamentals (Foley, 2006).

Development of a breeding program must have written goals for the outcome of the program. Have the goals written down. This will help to define and focus your

efforts. These programs cost a significant amount of money. The biggest expense is in the costs after the trip — growing out, space allocation, and time. Collecting plants in the wild sounds glamorous, but, the fact is it is very hard work.

SUPPLY CHAIN

The supply chain is the overarching view of the product (Fig. 1). The integration of the products into the supply chain is a critical step to long term sustainability. There is a balance between the two extremes of new product introduction. On one hand you have the “spaghetti model” which states “throw it on a wall, if it sticks, it is good.” This is a model that several successful companies employ to introduce new products into the market. If the market accepts them, than the product must be good. On the opposite extreme is the “test to death” model. This states “we test and trial until the product is tested in for all possible uses.” In the middle is the best of both worlds — test the product with predetermined time line for completion. This keeps the focus, keeps you honest with yourself, and will not clog up the overall supply chain.

There are many attributes of a product of which can be used for an evaluation of the product. Such attributes such as suitability of the product for production performance; suitability for intended use (garden, patio container, cut flower, etc.). The time to gather this information costs money. These costs should be included in the initial development of the breeding program.

Another significant cost, which must be understood as part of the budgeting process is the cost of buildup of stock (URC supply, liner supply, retail ready materials, products at retail, products with consumers, support of Retail Garden Centers to purchase the products). Trees and shrubs can take 3 to 7 years from initial build up until the first sales of the product.

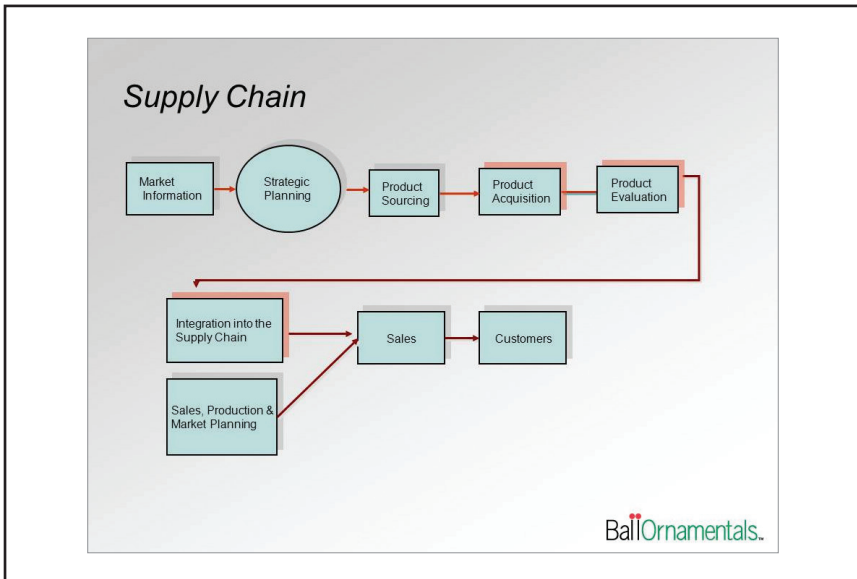


Figure 1. Supply chain flow chart.

MARKETING

Gen X and Boomers perceive gardening as a hobby, to be fun. This group of people has a high degree of pride in showing off the garden. They have a high degree of knowledge in plants and horticulture. They enjoy sharing the garden with family, friends, and neighbors. Spending time in the garden is fun; it is time to relax. The garden for Generation X and Boomers is fun to look at and enjoy.

The next generation coming into the market now is the Echo Boomers. They see gardening as a hobby. Plants are a low priority. They are interested in plants for curb appeal. The look of the home is more important than the hobby. Echo Boomers are unfamiliar with our products. They are insecure with the plants — they are accustomed to first success (think of an iPhone). They are networked people. They may or may not have children. Gardening is a function. The garden is to be lived within.

To communicate with these up and coming retail shoppers your sales activities, retail support, POP, must be focused to service them. Consumers are fickle people. The nursery industry people are fortunate that they buy any plants — they want solutions; easy, easy, easy plants; success the first time; no maintenance; color rules; flower, foliage, texture.

The “DECIDERS” — these are the people that make or break a new product — propagation management, nursery growers, sales representatives, garden center buyers, landscape architects, designers, garden writers. Each of the Deciders are your customers. Working with them to get your product into the consumers hands is critical for success.

LITERATURE CITED

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