

GROWERTALKS

GT in Brief

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Ball “Swaps” European Divisions with Florensis; Buys Kieft Seeds

Chris Beytes



Ball Horticultural Company announced it will partner with Dutch distributor Florensis in Europe, allowing Florensis to take over the Ball Holland and Ball Deutschland divisions in exchange for a minority ownership in Florensis' continental Europe operations—all pending approval by the Works Council, per national law.

In the UK, Ball Colegrave and Florensis UK will form a joint venture, with Ball Colegrave taking over operation and management of Florensis UK. Both UK businesses will continue

operating under their own names because they have complementary product lines. In addition, Ball will be selling 100% of its French distribution company, Ball Ducretet, to French distributor Graines Voltz.

Ball also announced it is purchasing majority ownership in Kieft Pro-Seeds of Venhuizen, the Netherlands, buying out majority owner and managing director Cees Van Diepen and minority owners John and Nick Van Wingerden (of Green Circle Growers, Oberlin, Ohio, and Mid-American Growers, Granville, Illinois, respectively).

The Florensis and Kieft deals, while separate, do have some connection: Florensis is a minority owner of Kieft, and Kieft distributes some Florensis vegetative products in North America. It's expected that Ball will buy 100% ownership of Kieft.

In France, Graines Voltz is the exclusive distributor of Florensis products.

The Florensis partnership

Discussions between the two companies began in November. According to Florensis co-owner Herman Hamer, the partnership with Ball was an opportunity to take advantage of the strengths of the two companies. “The basis of the idea is a kind of swap of our UK business against the Ball continental Europe business,” he explained. “Ball is very strong in the UK, but a bit weak on the continent. We are very strong on the continent,

[but a bit weak in the UK] because of the exchange rate. One-third of our business is in the UK, so we had to find a solution.”

Says Cees Boonman, president of Ball Seed, “We’ve had a long-standing relationship with Herman Hamer, going back at least 30 years, when Herman had an internship with Ball Seed. Both companies have business philosophies that are very similar, which made this partnership a natural conclusion.”

Herman said that Florensis and Ball are interested in keeping their genetics moving through each other’s companies. With the addition of Ball’s production capabilities, this should make Florensis the largest plug supplier in Europe.

“The most important thing is that independent, family-owned businesses are doing their own things here to secure their future, and that is what I really like about this deal,” says Herman. “In a way, we all stay more or less independent. But still, we are becoming a major, major player in the European market.”

When asked if there would be any impact in North America, where Florensis varieties are sold primarily through Oro Farms and Express Seed, Herman replied that those relationships would not change; he added he hopes Florensis distribution through Ball Seed would expand.

The Kieft deal

Kieft’s Cees van Diepen says he is selling his shares of Kieft to Ball for the same reason given by other recent partnerships: the ability to gain market share. “The main reason [for selling],” Cees says, “is because we have such an amount of new genetics developed that I found it necessary to get closer contact with a bigger party to get it into the market. And that came about by selling it to Ball.”

Well-known Kieft seed varieties that will be rolled into the PanAmerican Seed offerings include Revolution gerbera, Skippy viola, Bombay cut celosia, Winky aquilegia and the ColorGrass line of ornamental grasses. In addition, Kieft has a wide range of seed perennials that will complement Ball’s Darwin line. Seed perennials will continue to carry the Kieft brand name.

Kieft’s Venhuizen location will be maintained, along with the activities of breeding, seed technology and production. Kieft products will continue to be marketed through all distribution companies worldwide.

Cees, who took over the business from the Kieft family in 1991, will stay involved as managing director for “a couple of years” and will provide product development support for annual and perennial breeding programs. “I’m pleased that 20 years of my life’s work has gone into the hands of a strong and healthy company, and that means a good future for the people who are involved and working for Kieft. That’s an achievement that I’m very proud of.”