

GROWERTALKS

GT in Brief

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Park Seed/Jackson & Perkins File Chapter 11

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Geo. W. Park Seed Company and its sister companies, Park Seed Wholesale Company and Jackson & Perkins, filed for Chapter 11 bankruptcy reorganization on Friday, April 2, in South Carolina. They have 120 days to develop a plan that would outline a new capital structure for the company and that would treat all creditors equitably.

In the company's official press release, a spokesperson said, "As the general economic situation declined starting in 2008, demand for luxury, non-essential purchases dropped sharply. All of our brands experienced significant decreases in sales for core products, including roses, perennials and garden-inspired gifts. This created cash-flow issues that worsened with each passing season. Despite deep cost-cutting and numerous attempts to execute supplier payment programs on our own, we simply could not meet our short- and long-term operating cash requirements. Seeking court protection and restructuring is clearly our best option for returning to a position where we can focus on delighting our customers and resuming sound relationships with our supply chain partners."

Park Seed president and CEO Chas Fox told the Greenwood (South Carolina) Index-Journal that the dismal economy has led to some of the company's problems, and he noted that the horticulture business is challenging and seasonal in nature. He also divulged to the newspaper that Park Seed will wind up selling some of its assets, but which ones hasn't yet been determined.

Customers should not be affected by the filing. Park Seed/J&P's Greenwood business office, Garden Center, Call Center, and websites are open and functioning normally. Shipping and receiving areas are continuing their daily operations.

Park Seed was founded in 1868. **GT**