GROWERTALKS

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Color Spot Update

Chris Beytes

Two additional bits of news about the recent (late July) “purchase” of Color Spot by its lender, Wells Fargo Bank:

First, we’ve learned a bit more about who one of the other bidders was: Altman Plants. Ken Altman said, “We made a bid to purchase all the assets, but in the end the bank decided to credit bid for the company. We are now talking to the bank about purchasing certain assets. So far, the bank seemingly has been entirely focused on closing the transaction.”

In other words, he hasn’t heard anything from them yet.

Ken added one last line: “Having anticipated this situation and knowing that business would be in play, we have been building greenhouses to prepare to serve our customers.”

In other words, Altman is prepared to take on any additional business that may come its way.

Second, the reason why TreeTown USA purchased the former Hines assets from Wells Fargo is that they will use the Hines properties to “realign” their California business “to ensure we are growing the right material in the right place,” said CEO Jonathan Saperstein.

Jonathan explained, “We have a number of small properties in California—small growing operations and we have another leased property that’s substantial. The reason this [acquisition] is interesting to us is not because of [Color Spot’s] current business, or trying to grow our business, as much as it allows us to capitalize on efficiencies and quality. … From a distribution standpoint, we’re terribly inefficient.” **GT**