GROWERTALKS

Acres & Acres

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27 Years, 3 Big Topics

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I've been writing this column since May of 1995, but rarely do I give much thought to why I named it "Acres & Acres." And you probably have no clue.

Acres & Acres was originally conceived as a counterpoint to "Under an Acre," the oldest department in the magazine, which profiles small growers who are generally—but not always—under an acre in size. In "Acres & Acres," I tackle big topics that impact the industry in a big way regardless of your size.

The first column, which was co-authored by my colleague Debbie Hamrick, was titled "These golden handcuffs are all about money." It was about industry consolidation at the hands of private equity firms. News had just surfaced that two California operations, Sunrise Growers and Color Spot, were about to be consolidated by private equity firm The Fremont Group. Our take? "It's a win-win," we wrote. "Why not go for it? … And what's the worst that can happen? It fails."

We got the second part right.

The Fremont/Sunrise/Color Spot deal never materialized (ironically, because Fremont decided our industry was too fragmented to be consolidated), but it foretold a 15-year rash of acquisitions, buyouts and rollups that culminated in … well, nothing much good that I can recall—the bankruptcy of Hines, the bankruptcy of Color Spot, the vanishing of Brian Tuttle (actually, he's a land developer in Florida's Broward County now). In the end, a few growers, such as the Lovell brothers, sold their businesses for very good money, while a few others have been able to buy bankrupt facilities at discount prices and expand their reach.

Where those private equity investors made their mistake was assuming you were nothing but dumb farmers who needed business lessons. Boy, did you show them! A former owner of one of those large nurseries told me recently, "What they do not know is that the nursery/hort/ag business is not the same as their other investments. Inventory perishability and shrink, weather impact marketability, and a unique relationship with regional buyers in large box stores all lead to being able to manage the business inside a 'farmer's' skill set—something they cannot do."

There are a few successful private equity owners in horticulture today, and they're successful because they know enough to keep their hands off the controls. They lend advice when needed, and cash for growth, but they don't tell the growers how—or what—to grow.

Branding is another topic I've written a lot about in this column, as the growth of branding paralleled the growth of the big box business. You could say it started in 1997 when Proven Winners, The Ecke Ranch and several other vegetative plant breeders joined the seed-only California Pack Trials and began the conversion to "Spring Trials." That was the start of the branded bedding plant, with names like Proven Winners, The Flower Fields, Simply Beautiful, Nature's Décor, HGTV Home, Hort Couture … even The Weather Channel and Gardening for Dummies.

Why the plethora of brands? Because it was felt that you needed a brand to get bench space in mass market garden centers. After all, everything else they sell is branded. Well, that turned out to be not so much the case when the chains decided they could develop house brands instead, to have something unique to sell.

Any brand that has survived until today has proven worthy to have become established in the minds of the trade, if not the end consumer. You know who they are; they can be found in every size and type of retailer, from mom-and-pop to big box.

In just my third Acres & Acres, in July 1995, I covered another topic that affects growers of all sizes: automation—specifically transplanters, which are "here to stay," I wrote in the headline. In the early '90s, Tom VanWingerden of Metrolina Greenhouses designed the first automated plug transplanter, the Metroplanter (built by Hawe). It was revolutionary! By the time of my column, in addition to the Metroplanter I was writing about transplanters from Flier, Visser and Bouldin & Lawson. Other companies were soon to follow. The two biggest growing pains early on? Over-filling plug trays (which led to plugs growing into each other, making them impossible to transplant), and reusing plug trays (which few growers do anymore).

My closing observation? "One thing's for sure, soon no one will take much notice of the transplanter when they walk into a greenhouse because just about everyone will have one."

I got that one right. **GT**