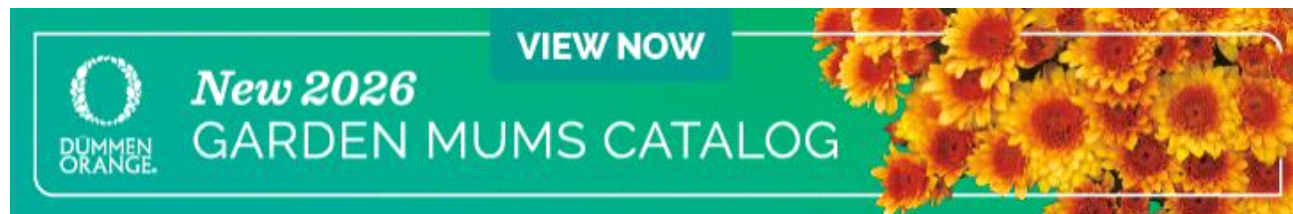


Acres Online: Live from Japan!



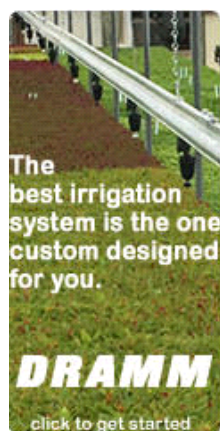
BE IN THE KNOW

Timely news and commentary from GrowerTalks



FRIDAY, OCTOBER 08, 2010

subscribe

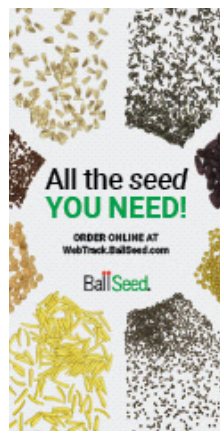


GrowerTalks' Acres Online

News and Commentary from GrowerTalks Magazine

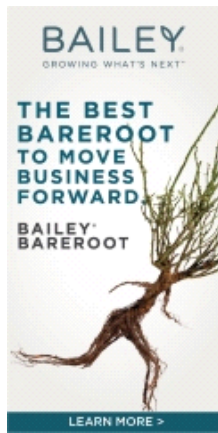
COMING UP THIS WEEK:

Hello from Japan!
Initial impressions
The breeders
- Sakata
- Suntory
- Takii
Some observations
Finally ... less serious stuff



Hello from Kyoto, where I'm on day three of my two-week Japan tour. Why Japan? Well, there are some very good flower breeders here, namely Sakata, Suntory and Takii. They've contributed some influential and important genetics to our industry, and I've always been curious about what their home business is like, as I only see them in the states at the California trials or at trade shows.

Second, it just happened that I timed my trip for October because in Japan, summer is too hot to see much (in fact, this summer delivered record temperatures in Japan); and third, the International Garden Centre Association is holding its annual congress/tour in Japan. I wanted to see some retailers anyway, so what better way than with busloads of the world's best garden center owners? We'll hit the road Monday in Tokyo, finishing up in Kyoto next Friday.



Then I'll visit one of the Ball companies, plug producer TM Ball, on Monday the 18th, and back home the 19th. All told, I'll go back and forth between Tokyo and Kyoto on the "shinkansen" (bullet train) four times. That's four views of Mt. Fuji!

Initial impressions

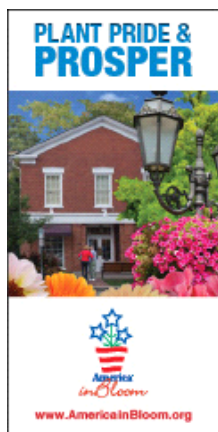
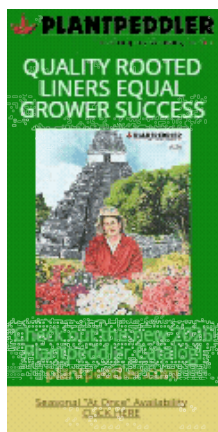
The first thing I've been asked is, "What do I think of Japan?" Well, it's still too soon to say. Other than the language and the signage, it's not nearly as exotic as I might have imagined. The scenery between Tokyo and Kyoto varies between Florida (flat and somewhat tropical), Midwest (flat with grain fields), California (flat farmland with mountains in the background) and North Carolina (forested hills). The biggest difference might be the stands of bamboo everywhere, which from a distance look like giant fern fronds covering the hills. However, based on the number of lovely old temples and quaint homes I've already spotted, Kyoto should provide the traditional Japanese views and culture that I crave. The weather has been perfect—slightly overcast and maybe 75 to 80F.



The breeders

One thing to say about the breeders: they make use of their own products to welcome guests. I found beautiful flower arrangements awaiting me at my hotel rooms courtesy of Sakata and Suntory, and featuring their latest cut flower varieties. Very thoughtful!

Sakata was my first stop. Their Yokohama facility, built in 1995, is the epitome of modern architecture—linear, with much wood and concrete. But the facility includes very nice



landscaping, which was required by the city. In fact, it incorporates a public “Green Plaza” for the local citizens ... a good area for Sakata to show off some of its genetics. The first thing I spotted was a trendy idea for you retailers: Dutch bulb crates wrapped with burlap and planted with Fortune tuberous begonias.

I was honored to speak with third-generation Hiroshi Sakata, company president. His grandfather, Takao, founded the company in 1913. In 1921 he set up Japan's first seed testing laboratory. However, I was surprised to learn that Sakata is no longer a family-owned business. They went public in 1990 and are on the Tokyo Stock Exchange (the Sakata family holds 16% of the stock). I asked Mr. Sakata about that. He replied, “That was my grandfather's and father's dream. The company should not belong to the family only. It should belong to the public.”

Lest you picture Sakata as nothing but Majestic Giants pansies, know that they have 33 locations in 19 countries, and hold the lion's share of the U.S. broccoli market! Vegetables are very big for them, accounting for half their sales volume and 80% of their international sales.

Sakata is also quite diverse in Japan. They have a garden center (founded in 1951; I'll see it next Monday on the IGCA tour) and do mail order. They even have a landscape division.

During my two-hour interview with Mr. Sakata and his staff, they really stressed their cut lisianthus breeding (they have 75% of the global market) and SunPatiens. This is their first big global branding effort, and we can expect more colors and developments in SunPatiens and in other breakthrough crops like this.

(In the photo to the right, those are SunPatiens on display at the Yokohama Museum of Art. Some irrigation system, eh?)



“The companies that survive in the future MUST have strong items,” Mr. Sakata emphasized. “They must have ‘number-one’ items.”



Suntory

What do Haagen Dazs, Subway and Million Bells calibrachoa have in common? Suntory. The

multinational, multi-billion dollar conglomerate operates the first two in Japan; and its breeders, bored with hops, pretty much invented the calibrachoa (their Dr. Suzuki, right, worked on the “small-flowered petunia” as he called it for five years in secret ... alas, he's still keeping secrets—there was no getting past him to sneak into the “back room.”)

I had a quick tour of Suntory's impressive Tokyo headquarters, where Flowers division president Tokuro Morimoto and his international market man Shigeru Sarada explained that “enriching peoples’ lives” is Suntory's motto. In addition to the aforementioned brands, Suntory also built Suntory Hall, a world-class concert hall in Tokyo (President Obama spoke there recently) and the Suntory Museum, a Japanese history museum. Add in Suntory's premium whiskey, wine from their French winery (Chateau LaGrange), the Pepsi franchise for Japan and a billion cans of cold coffee per year, and you've enriched a lot of lives!



Oh, and they're the company still hard at work on the world's first blue rose. Ten researchers are trying to crack the code. Yes, the blue rose is still lavender, but they're honing in on the solution—to see all the white-coated researchers in their laboratories near Kyoto (where Shigeru took me later that afternoon) is to know they're serious about the project.

Speaking of serious, they're even using “heavy-ion beam” technology (that's nuclear physics, folks!) at a cyclotron in Riken, Japan, to induce flower mutations in some varieties.

But despite the high technology, Suntory is very much in touch with the end consumer. They estimate that they have 50% of the branded plant market in Japan (most of the tags I've seen at the two big-box retailers I visited were Suntory). They even put their phone number on every tag. Promotion is as heavy as those ions: this year they distributed 3 million catalogs to Japanese consumers via magazine insertion and garden center giveaways. As we've seen with Sun Parasol mandevilla in America, they're serious about promotion.

Oh, and they make some killer whiskey, too! The day ended with a private distillery tour and tasting.

Takii

I almost typed “American Takii” because that's how I know this company. At 175 years old this year, Takii is one of the world's oldest seed companies. Founded in 1835, Takii is still focused almost exclusively on seed—80% vegetable and 20% flowers. They have expanded the flower portion of the business recently with the acquisition of Sahin and Global.

Like Sakata, Takii distributes seed as well as hardgoods, and they do mail order (no garden center, though). One thing they can boast about is their horticulture school, established in 1947. Housed at one of their research stations outside of Kyoto, it has graduated more than 3,000 farmers and horticulturists. Currently, 60 students are enrolled. I saw them hard at work around the many vegetable fields and greenhouses.

Takii was the most willing of the three companies to let me get near their breeding areas. But



unfortunately, not near enough to give you any sort of hint as to what they might be working on. Try as I might, I couldn't get Mr. Haketa (left), the developer of the Tropical canna series, to show me what's coming next in the block of experimental cannas behind him.

My day wrapped up with a full tour of Takii's seed testing, processing and packaging facility in downtown Kyoto (right next door to my hotel, in fact). Like everything else, impressive, immaculate and world-class. Forty million seed packets come out of here, along with every Takii flower or vegetable seed you ever sowed.

While Mr. Haketa was shy about his work, Mr. Hitomi (below) wasn't. He let me photograph a cool patented machine that he invented that laser-etches two tiny holes in the surface of each and every Tropical canna seed, to scarify it for better germination.



Note the tiny marks from the laser on the seed.



Some observations

Three days and three companies does not make me an expert. I've barely scarified the surface. But I can say these companies are serious and dedicated to the flower (and vegetable) industries. They run world-class labs and have proven they can develop class-leading genetics. And they're big players on the world scene. Sakata and Takii have both done acquisitions fairly recently, so don't be surprised if they get bigger rather than the other way around—there are still small breeders out there to be had.

And finally, what all three have in common is a larger, more noble purpose for their work than just making flowers and money—all three have a philosophy of improving the lives of their customers. Maybe it's a Japanese thing. All I know is, I can't wait until next week when I start visiting garden centers and gardens with the IGCA! Stay tuned ...

Finally ...

A few less serious observations after three days in Japan:

Easy to get used to: how tremendously polite everyone is

Hard to get used to: knowing when to stop smiling and nodding and bowing back

Easy to get used to: yakatori (grilled meat on a stick)

Hard to get used to: soup at the *end* of dinner

Easy to get used to: shinkansen (bullet train)

Hard to get used to: slippers that are too small for American feet

Easy to get used to: heated toilet seats

Hard to get used to: toilets with electronic control panels (I don't dare touch any of the buttons)



Thoughts or comments about Japan? As always, feel free to [EMAIL](#) me. I'll listen to comments, gripes, questions or quips. And follow me on [Twitter](#) (Beytes) and [Facebook](#) (Chris Beytes) to keep up daily.

See you next time, when I report on the hows and whys of retailing in Japan,

Beytes san



[Chris Beytes](#)

Editor & Publisher

GrowerTalks and *Green Profit*

This e-mail received by 16,920 loyal readers!

Be one of the savvy sponsors who reach those 16,920 influential readers of Acres Online! Give [Paul Black](#) a shout and he'll hook you up!



The Only Magazine
GROWERS AND RETAILERS FLIP OVER.