Acres Online: Live from China; a 300 acre greenhouse





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Acres Online

News and Commentary from Grower Talks Magazine

COMING UP THIS WEEK:

Hello from Dalian! Why I'm here Bullet points about China Two amazing projects:

- Anthura East?
- China's largest garden center



Hello from Dalian, China, where I'm 13 hours ahead of you (if you're in the central time zone of the United States; you'll have to work out other times from there). Where's Dalian? You'll spot it on the east coast, above Shanghai, up near Beijing and Tianjin.



Why in the world is a U.S. horticulture journalist in China? Well, first of all, *GrowerTalks* has covered the world of floriculture ever since George J. Ball's earliest seed trips to Europe and Asia, so there is a precedent. I'll travel anywhere I can find a greenhouse with plants in it.

Second, *GrowerTalks'* parent company, Ball Horticultural, is co-sponsor of a unique two-day event that just took place in Dalian called the Dalian International Horticulture Forum, the purpose



of which is to help Dalian and other Chinese cities expand the use of flowers and plants in the landscape and among the emerging middle class (more on that later). And it gave our speakers a chance to make some very good contacts with Chinese business people and officials.

Ball does business here through a partnership with a family business called Century Seed; their joint venture is called Ball Century. They've got a pretty good presence in China, in fact many of the flowers planted for the 2008 Beijing Olympics were PanAmerican Seed varieties.

I've done a bit of conference planning in my time, so I was invited to help with the seminar program on this one. We've got 15 speakers from the U.S. and U.K., including Anna Ball; Bob Dolibois from ANLA; Gary Mangum from Bell Nursery; Dr. Allan Armitage from the University of Georgia (he has plenty of fans here); Dr. Charlie Hall from Texas A&M; John Williams from Tagawa Greenhouses; Elin Dowd, president of Monrovia; and a plethora of talented landscape architects and designers who are sharing tips for taking China's landscapes into the future.

Anyway, that's why I'm typing this from the 12th floor of the swanky New World Dalian Hotel instead of my 2nd floor office in West Chicago. Oh, and it's 4 a.m., because the jetlag from a 13-hour time difference is brutal. Please consider that if you notice any odd statements or typos.

Okay, enough back story. Here are some bullet-point observations about China and its floriculture market. Then I'll show you two amazing projects currently under construction.



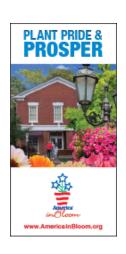


It's a very young industry. China's history may go back thousands of years, but its floriculture business is in its infancy. Up until just a decade ago, flowers were produced by small farmers and sold in town from the back of wagons or bicycles. That's still the case in most areas, but it's changing. I was told there are only about 10 growers of any decent size. However, I met one gentleman who owns six garden centers, with 12 more in the works over the next two years. And we saw the foundation of Beijing's first garden center, slated to open next spring (more on that below).

It's a landscape-driven industry. In America, 90% of flowers and plants are bought by consumers, with the remainder going to landscapers. In China, it's the opposite: nearly all flowers, especially annuals, are purchased by local municipalities for their landscapes. But with the emerging middle class, it's expected that consumers will begin to demand flowers, and the Chinese government wants them to be able to get them, hence their interest in hosting this conference.

It's a high-rise society. Forget single-family homes and subdivisions, this is a high-rise society (as are many outside North America). There are too many people and too little buildable land around the population areas for the emerging middle class to own a home on a piece of property. In fact, there's a housing crisis going on right now, with apartments being too expensive for many young people (in China, it's expected that a man will own a home before he gets married). We saw many, many new high-rise projects going in, some of them fancy enough to be mistaken for resorts. That means the new garden products that the new garden centers will be selling will have to suit window and balcony gardening.

The conference audience is young. I'll admit that when I heard I'd be moderating a conference primarily attended by Chinese government officials, even though from the parks and forests departments, I pictured dour old guys in communist-cut suits (this is, after all, a communist country, even though you can't tell). Far from it. The audience is young, dressed casually and hip, and enthusiastic. I suspect the Dalian landscape is in for a big shakeup after this event.



You don't know humidity until you've visited Beijing in August. I grew up in Florida and consider myself cast-iron tough in the heat. But Beijing is a sauna on its highest setting. If it's possible for the humidity to be 101%, that's what it felt like.

Dalian is a better climate. The temperature and humidity dropped considerably when we arrived here. Being on a peninsula, the surrounding water moderates the climate nicely, making it ideal as a garden mecca.



KFC is everywhere. Yes, we've eaten plenty of strange (and delicious) things while here. And seen even stranger in street stalls (whole fried frog, anyone?). But good old Kentucky Fried Chicken is never more than a nugget's throw away. They've got 3,000 restaurants and a new one opening every day. Thanks to their knowledge of the culture, they've even beat out McDonald's. (HERE is a great story from Harvard Business School on that success, if you need some tips on doing business in China.)

Landscaping is over the top. At least when it comes to highway right-of-ways. Every road we've driven has been lined on both sides with thick plantings of trees and shrubs, all being carefully maintained by an army of workers. Everything is planted so close together, it looks more like a nursery than a landscape.

Why so much interest in landscaping? The reason we're here, according to the mayor of Dalian, who spoke at the opening of the conference, is that the Chinese government, which has worked hard to lift its citizens out of poverty, now wants to help beautify the areas in which they live. And next comes helping to promote "leisure horticulture" as his translator put it—encouraging consumers to buy and enjoy flowers and plants. That means they have to have plants to buy and a place to buy them (see below). Gary Mangum noted this, saying that the government here seems to play a much more helpful role in business, rather than an adversarial role as we in the West face.

There's lots of new money waiting to be spent. The number of German luxury cars in Dalian is rivaled only by L.A. or Miami, I think. And you see all the luxury fashion icons represented in the shopping malls. Said Gary, "You can't help but be intrigued by the potential for demand."

USDA is here. I met two young women at dinner who represent the United States Department of Agriculture in China. One will be making a junket to Oregon, Illinois and North Carolina at the end of the month with a delegation of growers and landscapers from China to see if there are opportunities for U.S. growers to export plant material to China. It has to be bareroot, she says, but it will be interesting to see if there's a market there, especially considering how down our landscape market is and how China can't keep up with demand.

Who is Suntory? By Chris Spanton, Plant Product Manager from Sutton Consumer Products

Two amazing projects

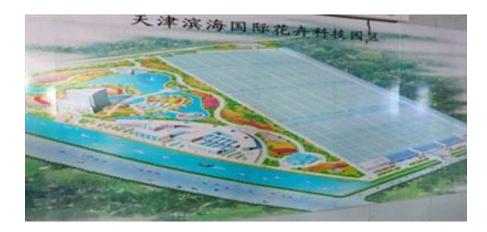
Anthura East?

On our first full day here, in the city of Tianjin (you can see it below Beijing on the map), we visited what I can only describe as the most over-the-top greenhouse project on the planet. And I've seen the best.

The Tianjin Binhai International Flower Science & Technology Park Co., Ltd. is the brainchild of pot plant grower Tie Shun Yang. Mr. Yang is the No. 1 pot plant grower in China, with three locations producing anthurium, bromeliads, medinilla, orchids and many other tropical houseplants. But a new runway at the Tianjin airport was planned to go right through one of his greenhouses, so he worked a sweetheart deal with the government for this prime piece of real estate in the Dongli District of Tianjin.



My first thought? Holy cow! Unreal! The superstructure of the main building reminded me instantly of Anthura in the Netherlands, and when I asked Mr. Yang about that, he admitted to knowing them, having been there, and he's a big anthurium grower, too. Here's a picture of the whole project. What you see above will be at the very lower right.



The whole deal is a 600-acre flower park featuring 300 acres of production greenhouse behind a giant wholesale market, plus a conference center/resort complete with lakes and gardens.

We saw the first phase of construction of the greenhouses, which at my guess were 18 ft. to the gutter and had all the Dutch Venlo bells and whistles, including heated flood floors, two inside curtains and an exterior shade curtain. Mr. Yang said he was expanding from pot plants into a more comprehensive business: tissue culture, plugs, pot plants and a wholesale flower market.





The white steel structure rising out of the humidity above will be the 600,000 sq. ft. flower market, with a curved glass front much like Anthura.

Cost of Phase 1—the first block of greenhouse, the flower market and the infrastructure— is 1.1 billion yuan - \$200 million. Total project budget is 2.2 billion yuan. Of course, we assume it's all government money, but when I asked, Mr. Yang replied that he and his bank put up the money; the government provided a loan guarantee and the land. And they're helping promote and support his business and the industry in general. It's all part of the government's efforts to beautify the area and make sure the citizens were able to enjoy flowers in their lives.

It's said to be a five-year project. I'd love to come back in five years and see if Mr. Yang's amazing vision has come to fruition, or if the whole project is an empty shell.



Beijing's first (and China's largest) garden center

Next, we next visited the construction site of what will become Beijing's first true garden center, on the outskirts of a large landscaped park. Its 15,000 sq. meters of greenhouse (150,000 sq. ft.)

will make it the largest in China (which isn't saying much, since there are so few garden centers period.



Opening May 2012, the garden center is owned and will be operated by the local government. It's obvious from the artist's rendering above that it was designed by a Dutch garden center expert. But it will be run by a local staff with no experience in garden center management, so that should be interesting.

Still, it's a beautiful project, and it shows the lengths to which China is going to give its citizens access to flowers.

It may be a communist country, but you can't argue with that idea!



As always, feel free to email me at beytes@growertalks.com. I'll listen to comments, gripes, questions or quips.

Chris Beytes

Editor & Publisher

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