

GROWERTALKS

GT in Brief

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Express Seed Licensing Syngenta's Poinsettia Line

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During Cultivate'22, Syngenta announced that the company would no longer be producing and breeding poinsettias, opening the door for other interested businesses to acquire the license to take over the program.

In late October, Express Seed announced that they were now the exclusive global licensee of all of Syngenta's poinsettia products.

Express will be maintaining open distribution with brokers and root 'n sells in the United States. In Canada, unrooted cuttings will now only be available from Express. Rooted liners will still be sold through existing brokers and young plant producers.

I sat down for a conversation over Teams with Scott Valentine, Express Seed Company's CEO, and Scott Rusch, Director of Business Development, to discuss this brand-new venture for their company, how this will affect growers and their future plans for the company.

GrowerTalks: Give me the background on how Express came to obtain Syngenta's poinsettia program.

Scott Valentine: Days before Cultivate, Syngenta sent out a communication letting companies know about the announcement. I and others on the Express team had familiarity on Syngenta poinsettia genetics. We had confidence in the varieties and the production, so we got to thinking, how might we make this work? We've seen good success with the multi-breeder collaboration of ThinkPlants in the perennial segment and wanted to explore Syngenta's poinsettias fully. We didn't want the program to end and we wanted to make sure that we still had all the Syngenta, Lazzeri and Beekenkamp varieties produced together, to fill boxes, meet minimums and simplify logistics for all growers.

One concern was [Syngenta] wouldn't be able to find a buyer and the program would end. Or they would find a buyer who would have their own interests that wasn't part of the original collaboration between them, Beekenkamp and Lazzeri. So we wanted to maintain that partnership on behalf of our growers.

To be clear, this is not an acquisition, it's an exclusive license with a path to a complete IP transfer in the future. And this is an exclusive license for everything—production, pipeline development, breeding lines, etc.

GT: Once the news was out, how did the internal discussions at Express go? How did you get buy-in from the rest of your team?

SV: First, this is a strategic interest for us. Me, David [van Wingerden], Estuardo Arriaga and Scott Rusch discussed

it. At that point, we didn't have any numbers or hard information to go on. It was more like, is this a strategic fit? Is this something that we'd be interested in? It was an opportunity that came across our lap, really. And for the reasons I just mentioned, we said yes.

Now, we didn't see any data [on the program] until just after Cultivate. That was when we saw the first real data and even that wasn't financial data. It was more of here are the varieties, here's the concept, here's what's in the pipeline.

After Cultivate, that's when we went back to Syngenta and said we were interested. That's when we started working on a business plan. We felt it was a strategic and financial fit.

GT: What does the license agreement entail?

SV: We have a global license to all of the current poinsettia lines exclusively for us to market, produce, distribute and sell. We also then have exclusive access to what they have in development, that was planned to launch in the next three years. And in R&D, there are many, many selections to evaluate. That is all for us to develop and commercialize exclusively.

GT: Is Express going to have its own poinsettia breeding program now to continue where Syngenta left off?

SV: One hundred percent yes. Having a line without breeding to maintain varieties and bring innovation to the market is a little risky. We can't say yet who our breeding partner is, but there is 100% a breeding partner to be named later.

Scott Rusch: There is a team at Express who understands the poinsettia market and what growers need. We have experts in breeding, product development, production and growing. For example, Estuardo understands the poinsettia market backwards and forwards. And like everything at Express, it's really a collaborative team effort. The whole group of salespeople, product people, technical experts—we're going to guide this program where it needs to be and leverage as much as we can out of that germplasm. As the exclusive licensee for this program, we want to maximize the potential returns.

(Editor's note: Longtime poinsettia expert Steve Rinehart will consult for Express with the program's transition and provide technical assistance for their team and grower customers.)

GT: So this will be Express Seed's first foray into plant breeding?

SV: Way back when, Express had a minority stake in Kieft Seed. But in the last 10 to 15 years, this will be the first foray into breeding for Express and lines that are exclusively licensed by Express. And we're very excited about it. It's a new chapter for us.

GT: Will Syngenta's poinsettias continue to be produced at the same facilities?

SV: Yes, we're going to keep production at Vivero [in Mexico]. Express has had a long relationship with Vivero. We feel they've done a great job on quality, so we do want to keep the lines there. Lazzeri and Beekenkamp also have their lines there and we want to keep those three lines together. That's important.

GT: What does this mean for growers who produce Syngenta poinsettias?

SV: In short, it's business as usual. This means growers that have grown the varieties they know and love will still be able to grow in 2023 and beyond.

Scott mentioned our technical expertise with Estuardo and many of our sales reps, and we will increase the focus on quality. It's not that the varieties didn't have good quality before, but that will be our No. 1 emphasis—making sure

growers get high-quality inputs and are successful. You must have high-quality products and that will be our drive for the future. There will still be innovation coming behind these varieties, but really the next year or two will be focused truly on quality supply of the existing assortment.

GT: Will there be a separate program name for this, like Express has with its cut flower program [InFlora Cut Flowers]?

SV: Good question. I think for now it's just going to be status quo and we're keeping the variety names. Everyone knows Mirage, so we're keeping the name. Do we keep that in the future? I don't know. Once we have transferred the knowledge and physical assets from Syngenta, we will sit down and discuss if we want to rebrand the name for this. Once our breeding path is final and announced, do we create something new? Potentially.

SR: The main thing we want everybody to know is that the varieties are the same, the names are the same. We're going to work with our production partners to maintain and improve quality, and we think we can add value there, but everything else is the same. People know the Syngenta poinsettias and we're not going to complicate that. It's all about how we continue to improve the supply chain, which is where Express has shined in multiple categories for our grower customers. It's all about how we make things go smoothly for the growers.

GT: There seems to be a lot of change and expansion happening at Express. Is it just good timing with all of these opportunities or is this part of a long-term plan?

SV: When I started with Express the Board tasked me with growing the company. Express has traditionally been strong selling annuals and perennials for big box growers. We have put a strategy in place to build upon this solid foundation and grow beyond annuals, perennials and big box growers. That includes expanding our grower customer base, and also includes other segments of our industry outside of annuals and perennials. We have also hired great people—such as folks from Gloeckner, additional sales reps and Mr. Rusch—to lead our business development activities. Scott has been my right hand to help develop and execute our strategy, such as developing our cut flower business.

SR: The existing vendors, breeder relationships, customer service and logistics know-how at Express and our sister company Fresh2U offer support for our grower customers—those services can really be a big help to growers of all categories and all sizes. And that's where we see growth and opportunity.

GT: Part of this expansion is promoting awareness of Express Seed and its programs, correct?

SV: You have to. We're in the cut flower segment, but it does us no good if a cut flower grower has no clue who Express is, so we have to build our awareness. Basically, introduce ourselves to those growers. It's to build awareness in the industry outside of annuals, of who we are and what we do.

SR: This is the 40th anniversary of Express Seed Co. John [van Wingerden] started it in 1982. Our team is growing and we plan to share our capabilities with growers of all sizes and all segments going forward.

GT: Express is going to be getting a lot more attention with these new programs and partnerships.

SV: It's not for us to pound our chest and say, "Oh, look at Express." It's really just to make sure we can connect our services to these growers.

SR: The core of Express is about connecting growers with the products that best meet their needs and then the vendors that can best deliver those products with the highest level of quality. There's a level of independence here because we are not beholden to any one source of germplasm. We always have that independent eye on selling the best product for the grower. **GT**