

New and Profitable Container Sizes

There's the 4-inch, 1-gal., basket, etc. — but how do some of the newer sizes compare in margin and usability?

By Joseph B. Hanson

Although it's definitely the plant that counts in the end, you can't deny the affects of container size. It can control your plant's growth in order to meet a specific consumer demand, capitalize on space in order to ameliorate shipping cost, and dictate price for buyers who are more concerned with size than the actual quality of the plant. For better or worse, container size matters in this industry, so it's important to be aware of different dimensions as they become available.

Most growers use 4-inch, 1-gal., and standard basket containers; however, there are some irregular sizes out there that might be more effective. The 5-inch (or 1-liter), 18-pack landscaping tray and 306 premium pack have all proven to be compelling options for a handful of growers. But why should growers use these odd sizes?

THE 5-INCH

Jim Pugh, co-owner of American Farms LLC, Naples, Fla., uses a 5-inch container for New Guinea impatiens, kalanchoe, gerbera daisies, lisianthas, geraniums, exacum, ornamental peppers and, occasionally, double impatiens.

By using the 5-inch, American Farms is able to cater to a new market. "There are certain items, [such as] 1-gal. kalanchoes, that just don't have the same market appeal as they do in a 5-inch," Pugh says. "The 5-inch can be used as a stand-alone house plant, a patio accessory or decorative plant. The gallons have more of a landscape mentality." For con-

sumers who might shy away from a cumbersome, 1-gal., yet crave something more spacious than a 4-inch, the 5-inch is perfect.

The pricing is also important, as it helps growers take advantage of their buyer's emphasis on size. "Too often, [buyers] equate size with price," Pugh says. "If [the plants] are in a 4½-inch, they only have a 70-cent value because that's where you price your impatiens and begonias. So if I grow a geranium there, they keep the 70-cent mentality. With these pots, I can upscale one-half inch and get an extra 75 cents per dollar." By upgrading in container size, the grower can avoid the stereotyping of particular plants to particular pots and, in doing so, enjoy a greater profit.

Downgrading in container size has a similar effect: "For a 5-inch and a 1-gallon," Pugh says, "there's a substantial size difference and perceived difference, but there isn't much difference in the price point. If I'm getting roughly \$1.50-\$1.70 on one item, I might be getting \$1.70-\$1.90 on the other item...even though [the gallon] looks twice as big!" These small price increments allow the grower to sell a significantly smaller plant for an insignificantly smaller price. Whether upgrading from a 4-inch or downgrading from a 1-gal., the plant in the 5-inch may experience a slight margin increase, which allows you to include some extras, such as improved genetics.

The 5-inch's biggest advantage, however, might also be its biggest disadvantage. While sales for the 1-gal. and 4-inch generally reach high numbers, sales for the 5-inch ♦



Five-inch osteo containers at American Farms have proven to be much more profitable than standard sizes.

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remain small. "It's just a little bit more unique," Pugh says. "Many growers are doing billions of gallons and billions of 4½-inch, and the price point has just been pounded into the ground. But

the 5-inch is kind of in between and keeps things balanced." Instead of shooting up and down in demand, the 5-inch is able to find its niche and stay there. That fact alone might be enough

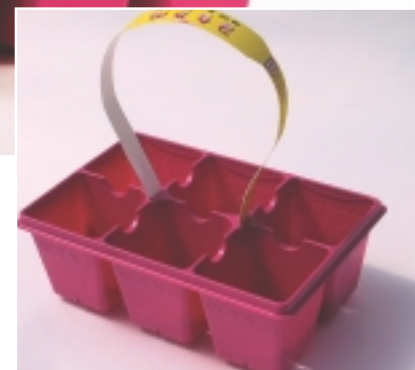
for some growers. "We've been able to hold that margin," Pugh remarks. "It's one of the shining spots in the dismal pricing structure in our industry."

THE LANDSCAPER TRAY

"The 18-pack is a shuttle tray that normally holds 18 4-inch pots, except that we put the soil directly into the tray," says Paul Gehrke, head grower at Hines Horticulture, Miami, Fla. Like most growers, Hines uses a variety of container sizes, but finds the 18-pack landscaper tray espe-

cially suitable for impatiens, begonias, pansies, marigolds, salvia and petunias. "Whatever the key landscape plant is for that month, we'll grow it," Gehrke says.

By eliminating 4-inch pots and planting directly into the tray, the 18-pack capitalizes on space. "It gives value to the consumer," Gehrke says. "They get a 4-inch plant at a flat price of about 50 cents per plant at retail." The grower also profits by making more money per square foot, and even the employees reap the



Top: Hines "landscaper tray" provides the instant gratification of 4-inch plants at a lower consumer price point and higher grower profit; Bottom and right: Premium packs have been used with Waves for several years but are now expanding into other annuals.

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benefits of the saved space. "Instead of filling 18 individual little pots, we just push the tray through the flat filler," says Gehrke. "So it really does help with our efficiency."

However, growing plants in

such close proximity to one another can be a little tricky. "It's a balancing act," Gehrke says. "You're always fighting, getting the plant big enough to be full and look like a 4-inch and not like an undersized six-pack.

It's easy to make little tiny balls, but they may never grow or perform for the consumer. You're always walking the line between too much growth regulator, meaning the plant doesn't grow, or not enough [growth regula-

tor] and [the plant] falls apart." Adjusting to the different growth habits imposed by a new container can be difficult and time-consuming. Therefore, growers will need to consider these challenges before committing a new container size.

However, growers should know beforehand about the ramifications of producing in bulk. "The plant has to work," Gehrke says, "so we just do the basic bread and butter items... You obviously wouldn't put sunflowers in there, or a really tall plant. You have to be very selective about what goes in there."

THE PREMIUM PACK

Two years ago, PanAmerican Seed's Easy Wave Petunias were introduced with the Premium Pack in mind, and now the container is being pushed for other plants as well. Its dimensions are similar to that of an 1801; however, its layout is in the form of a 306, allowing for cells $2\frac{3}{4}$ inches deep. Jerry Gorchels, technical product representative for PanAmerican Seed Co., West Chicago, Ill., recommends them for vincas, impatiens, marigolds, abutilon, coleus, petunias, New Guinea impatiens and many of the new foliage plants. "When you want to get the maximum value out of a seed item, you put it in a larger container," Gorchels says.

This value is evident to the customer in both the performance and the variety. The larger cell size allows for improved systems and bigger, stronger plants that may ultimately be more attractive. "[Consumers] can plant premium pack plants and have full color flowerbeds right away, [instead of] waiting for the smaller pack sizes to grow," says Gorchels. Moreover, garden centers carrying the premium pack present additional options to consumers who are looking for something new and different. "Garden centers will increase the value for their customers by having something that gives them a bigger cell, but differentiates them from everyone else," says Gorchels. ♦

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Differentiation is one of the best strategies on the market because it allows both retailers and growers to stand out from the norm. "I'm a firm believer in

greenhouses trialing different culture regimes before growing the whole crop a certain way," Gorshels says. "Do some small numbers to see how it per-

forms...[then decide] how you're going to have to change your culture for this larger container." The premium pack is certainly unique compared to other con-

tainers on the market, and growers should educate themselves about it beforehand in order to give it a good shot. For example, plants that like drier conditions — such as portulaca and vinca — might grow better in smaller, more individualized containers.

But with the right plants, there are many advantages to growing in premium packs — differentiation attracts new customers, the large soil volume securely anchors the plants to prevent tip-page, and profits increase by having fewer material investments per square foot. "The biggest thing, though, is the value," Gorshels says. "It's a win-win situation both for the grower and the consumer."

FINAL THOUGHTS

The 5-inch, the 18-pack tray and the premium cell pack all highlight important aspects of the growing process. The 5-inch caters to a new clientele and exploits the buyer's emphasis on size, the 18-pack shows both the pros and the cons of capitalizing on space, and the premium pack illustrates the importance of differentiation in the market.

Using new or differently sized containers can not only save a few bucks but make a few, by standing out both because of their uniqueness and the needs they satisfy.

When there's more than one good plant on the shelf, extraneous factors such as size, price and brand come into account. And from the grower to the retailer to the consumer, there's one thing that's clear — container size matters. **GPN**

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