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What Happens if the Chain Stores Get Their Act Together?

One of the great things about trade shows is all the interesting news you hear while walking around and talking to people — this company is going out of business, or so-and-so is moving to another company or that company has a new marketing program.

In fact, we've spent the past six weeks since returning from Short Course trying to run down all the leads we picked up at the trade show. Most of them have turned out to be either untrue or unsubstantiated, which means they aren't necessarily false, but we can't get the multiple confirmations needed for inclusion in the magazine.

One of the things I heard that does need to be discussed, even if it is in the realm of possibilities, is branding/merchandising programs at the box stores. I've heard from multiple sources that The Home Depot is exploring a new, homogenized look for its garden centers, complete with POP, signage and tags — everything needed to give the garden center an identity that can easily be implemented in stores across the country and will make all the stores look the same.

Is this just gossip? Maybe. It does seem a little late to be rolling out a merchandising program for spring 2005, but there is always next year. Besides, even if this particular program fails, others will follow; this isn't the first merchandising/branding prototype mass merchandisers have entertained. Both The Home Depot and Lowe's are experimenting with multiple existing brands — Proven Winners, Miracle Gro, Viva!, plus some regional brands — and it seems like the next logical step to develop a brand that is store exclusive.

WHAT WOULD IT MEAN?

Big box garden centers that are designed

well, signed properly and look nice. Think it will never happen? It already is.

On a recent trip to Minneapolis, Minn., Dean Chaloupka, president of Floral Plant Growers, which was featured in the May 2004 issue of *GPN*, showed me his merchandising program in place at area Home Depots. All I have to say is that if this is the direction of the box stores, independents better look out. The plant material was great, and the presentation was second to none; it made the entire garden center look first class.

So what would it mean for greenhouse growers if the chain stores could get their act together? On a per-unit basis chain stores already retail the majority of product our industry produces (way more than half by some estimations). If boxes and chains become nicer, easier places to shop will that number rise even more?

The independent can still tout selection and service and most of the time quality, but would those be the next target areas for the boxes? If they get their stores looking good and filled with good quality material, how much of a stretch would it be for employees to start taking pride in their work and become better service providers?

Don't get me wrong. I'm not trying to say that the box stores are our enemy or that any improvements they make would be bad for us, quite the contrary. I think it would be great for the box stores to finally get it together, but if they do, other people would need to as well. An improved box store would mean improved box store growers (no more 20-percent shrink); it would also mean improved independent garden centers and growers. That's a lot of improvement. Who would have thought one little rumor could have such far-reaching consequences?

next month...

- Controlling late-season whiteflies on poinsettia
- Cost accounting ideas and suggestions from Jim Faust
- Production tips from Roger Styer

plus...

- Anti-ethylene agents on cut flowers
- Hibiscus production

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