



pots and containers

Planting Profits

More growers are capitalizing on the consumer appeal of retail-ready pots.

By Darhiana Mateo

As demand for retail-ready pots continues to soar — driven both by big boxes and everyday consumers — growers across the country are taking note. Although once reluctant to jump into this niche, growers today are increasingly recognizing the added value and undeniable consumer appeal of this trend.

Retail-ready pots, whether ready for the customer to take home and enjoy or ready for the retailer to sell to end consumers, offer convenience and instant gratification in a busy world.

"They did not rush into that market," says Dave Edenfield of Visions Group, an industry consulting firm, alluding to the cost factor and production challenges of adding these pots to the mix. "But today, there's no doubt that growers are paying more attention."

The decision to start producing retail-ready pots, also referred to as consumer-ready containers, may have been initially dictated by the big boxes, but the trend is really driven by the end consumer. "Consumers are looking for something they can buy today, take home and put out on their patio and enjoy tonight," Edenfield says. "Growers are certainly capitalizing on this trend."

New Looks

In the past few years, this category has evolved to encompass new shapes, colors and textures. The traditional round terra cotta pot of the past has gotten a serious upgrade: The hottest sellers today are square-shaped containers (especially trendy are the tall, slender ones) in unique textures and colors, such as the popular hand-washed or antique looks.

Denmark, Wis.-based Floral Plant Growers has a long history of offering retail-ready containers: They carry a wide variety of container sizes, from 8-inch planters with one or two varieties to 16-inch-plus upright containers filled with several different varieties. "Containers make up a significant part of our product mix each year," says Scott Lueder, president and chief executive officer. "Every year, there are new container sizes, shapes and combinations [introduced] to keep the offering fresh for the consumer."

In fact, consumers are the driving force behind all decisions. "A few years ago, we saw a definite consumer shift," says Lueder. "Colors and textures have changed to make the pots more attractive than the traditional terra cotta pot color."

Consumers are passing over functional in favor of fashionable, looking for pots that not only offer immediate gratification but also elevate their green spaces to outdoor living areas. "Ultimately, everything is driven by consumer demand. Regardless of who is dictating the item, if the consumer doesn't like the offering or price point, then sales will suffer," he adds.

Scott White, president of Canada-based CTi Plastic, a manufacturer with offshore operations in China that dominates most of the North American big box market, agrees that there has been an evolution in the look and function of containers. "Our greenhouses and retailers are asking for our pots to stand out; they

Forget the terra cotta pots of the past. Today's hottest sellers are square-shaped and come in eye-catching textures and colors. (Photo:CTi Plastic)



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want pots with texture and intricate designs that really make the plant material pop,” White says.

Adding Value

In today’s challenging retail climate, busy consumers not only want “it done yesterday,” but they’re also looking to get the most value out of each purchase. Retail-ready pots have the potential to grant both wishes, as well as justify higher price points: a win-win scenario for all. “We add a significant amount of value perception to the final look of the potted plant,” White says. “We firmly believe that retail-ready pots equates to a higher volume of ‘grab-and-go’ sales.”

In a price-conscious market, he says, the industry needs to continue to produce product that adds value to plant material in the eyes of the end consumer. “They want to see more for their dollars spent.”

Riverview Flower Farm’s “Florida Friendly Plants” line is all retail ready and pre-priced for Home Depot to sell to customers. The company offers three different tray configurations with 60-millimeter Ellepots at a higher-than-typical price point. Consumer reaction is positive thanks to its “do some of it for me” convenience, says President Rick Brown, but the products’ presentation, aesthetic appeal and usability makes them worth the extra money. “These retail-ready products add more real and perceived value to the Home Depot products,” Brown says. And the tag and labeling information on the containers help to reaffirm the company brand. “Having products

with a story to tell and a way to tell it has been effective.”

Of course, quality remains a vital part of the equation. Greenhouses and retailers want their product to arrive ready for consumers to purchase, but they also want the “quality of their plants to be reflected in the quality of the container,” White says. “They want to ensure their product will sell in volume straight off the racks the plants arrive in and in mass displays.”

Improved technology is helping plastics manufacturers like CTi Plastic achieve high-quality looks at reasonable prices. Most of the containers available today are made with recycled plastic, and most consumers can’t even tell it’s plastic at first glance. “In general, greenhouses and retailers are excited about most of our product lines as they add so much value,” he adds. “They like the fact that our products look like fiberglass, ceramic or zinc pots until you actually take them in your hands and realize they’re plastic.”

Cost and Production Challenges

Although there is a consensus among growers and their big box customers that retail-ready containers sell — and fetch attractive prices — some challenges remain. They can be costly and difficult to produce. And remember those trendy, tall containers? They can be a headache to deliver to customers. “One of the biggest challenges we have as growers is getting the largest containers to the stores

without damaging plant material during handling and shipping,” says Lueder. “Certainly, cost is a major challenge as the containers are expensive to ship.”

For Riverview, dedicated production has made it difficult to market to anyone but Home Depot, says Brown. The company has a strong track record and plan in place to speed or slow production to match demand, but the biggest challenges occur when growers have to source branded containers from various pot manufacturers that have radically higher prices, he says. The demands and royalties that certain brand programs require make them less profitable and therefore less attractive for the grower. As Brown puts it, “putting all the pieces together and making a profit is difficult when national programs dictate a much higher cost of materials.”

Factoring in Sustainability

Looking ahead, the sustainability push remodeling the horticulture industry stands to play a key role in the future of plastic pots. Most of the retail-ready pots that North American growers are offering are made of recycled plastic parts, so they’re lighter, cheaper and more durable than pots made of ceramics, fiberglass and other materials.

“Our containers are made of a high percentage of recycled plastic,” says White. “The market is constantly evolving and asking us to review our current processes and how we can improve. We are continuing to look for opportunities to ensure we stay on target and are



Riverview Flower Farm supplies Home Depot with retail-ready product to sell to consumers.

exceeding sustainable standards.”

Future Plans

At Floral Plant Growers, retail-ready containers have a secure place in the company's future. “We wouldn't even think about taking them out of the mix,” says Lueder.

However, in response to the current economic pressures, the company is moving its focus from higher-end pots to more recession-friendly prices. “The general economic issues concern everyone in our industry, so capitalizing on a trend we saw last spring, we have made a slight shift in our product mix in favor of lower-price-point containers,” he says.

Moving forward, growers need to continue to listen to customers and adapt to the changing realities and demands of the industry. While this niche is likely to continue evolving — and some growers have only recently tapped into it — some simple truths remain steadfast: “Many people just don't have the desire or time to plant their own containers, so offering an attractive, well-grown container at a good price is necessary today,” Lueder says. “We expect consumers will continue to look for containers to instantly beautify their homes.” **GPN**

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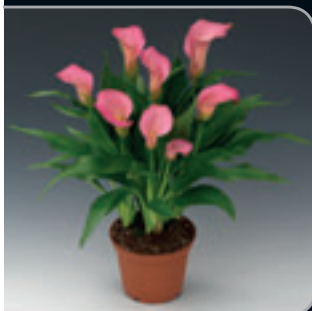
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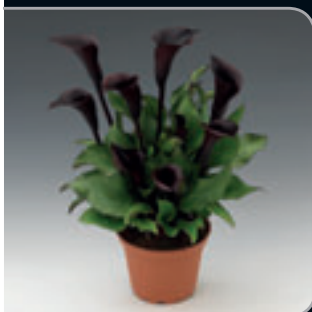
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