



# **Creation of Altman Innovation, Pure Clean Rose System, and North America Ornamental Rose Market**

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## **The Creation of AI (Altman Innovation)**

We created Altman Innovation to lead the way in bringing our breeding to the global market. AI works with key partners to setup supply chains in challenging crops with those partners. We don't only create our own plants but are always looking for unique products to partner on for North America for the Altman Specialty Plant business. AI thrives in solving difficult supply chains like a new partnership we have for some Canna Lily tissue culture.

Our dedicated team allows us to focus on the speed of product to markets. We have developed partnerships all over the world including, Taiwan, Japan, UK, France, Greece, Netherlands, South Africa, Australia and China.

AI is working with modern marketing strategies with promotion on social media, shipping plants from online orders, and participation in things like AMAs.

## **Pure Clean Rose Services**

PCRS is a new service business we created in North America to focus on creating the cleanest rose supply in North America. This was created looking at the future shape of the retail industry in North America where 30% of the population in the United States live in areas that rose suppliers can be banned if any sign of virus or bacteria

are found in their supply. Growers are quickly shifting to True Bloom because of the world class breeding paired with clean supply of supply.

PCRS will launch in Europe as well partnered with Walterblom tissue culture and liner production. It will be a new production system for Roses in Europe which are used to budding on root stock from field cuttings.

## **True Bloom Rose Breeding**

Ping Lim has been leading the creation of the True Bloom Rose breeding program for over a decade. He is creating a new type of amazing roses and our trade marked Hybrid Tea Shrub Roses. The traits that are the focus of our breeding are led by consumer studies done by Texas A&M University:

- Disease Resistance
- Fragrance
- Heat Tolerant
- Drought Tolerant
- High Petal Counts
- Large Easy Continuous Blooming

The American Consumer Rose Market has been evolving as consumers learn more about roses. New ways of collecting data help drive our direction in breeding. From studying most common searches, reading online social media/forums, and doing studies like eye tracking consumers shopping at retail give us great insight for marketing.

## **North America Potted Plant Business**

The North America potted plant market has been developing over the last decades to where plants can be purchased. The recent surge in buying everything on line has had a little impact on plant sales. The majority of plants are sold through our Box Stores/Mass Merchant type stores. While regionally some independent garden centers markets are strong, broadly

speaking the majority of plants well over 70% are sold at these large chains. Lowes, Home Depot, Costco, Walmart, Sams Club, HEB, to name some of the largest. These large chains have dedicated garden centers to sell plants and supplies for consumers. This evolution has changed how plants sell themselves. It's no longer the advice of a garden expert helping someone pick out plants for their situations. Plants are sold based on how they look, the tags, and brands they are in. How we can build and promote large scale plant brands is by having the varieties and genetics that make consumers successful. We have to build trust on performance and resilience. When a consumer plants a True Bloom rose, and is successful in their garden or landscape, they buy another. That same consumer can post online through social medias and tell their friends. That is brand trust that sustains the brand into the future. There are a lot of brands and brand promises available in garden centers but the #1 predictor of success of the brands is if the plants perform for the purchaser.

The second largest part of the potted ornamental plant business is from local landscapers. Similarly to individual consumers their purchases are centered around the large chains of retail. Usually large landscapers receive special discounts like 10% or 20% off when they buy 10 or more of a specific brand per purchase. There are special ways to market to these local landscapers through the retail chains as they are registered companies with that store chain. For example, when we launched True Bloom Roses nationally with Lowes in 2025, Altman Plants and our grower partners benefit from Lowes pushing out targeted marketing to these professionals about the new product, it's benefits to them, and it's universally availability they can trust the be in stock.

## **Shift to Online Retail?**

In North America there was rapid expansion of niche online plant businesses over the last 5 years. From almost nothing to everyone

jumping into the business quickly also led to a flood of money being spent on advertising. After just a few years that formula for selling plants has dried up with only a few companies remaining. As an example the current North America Rose Market is about 55 million rose bushes sold a year. Box Stores lead the way selling about 25 mil, followed by large landscapers using about 15 mil, then garden centers and smaller chains with 12 mil. The last part of this is the new online market, less than 1% of plants are currently being sold via online purchases. Where online has excelled is selling unique/hard to find plants someone is determined to seek out. As the industry as a whole morphed to the mass merchants being the center of plant sales, varieties must perform or they are no longer carried. This is where online plant sales thrived carrying the things not available locally. An interesting example of this remaining niche into the future is the mass merchant retailers are subsidizing plants that are carried in their stores to be the same price if it's bought online. A consumer could buy a True Bloom Rose delivered to their door for the same price they can buy them in stores. Yet 99% of the sales remain in stores; consumers still prefer to see, touch, and pick out their specific plants in person. Buying plants is an experience that is not replicated digitally. In that way, plants have a tremendous value to retailers. It's a very specific, sought after product that bring consumers to stores.

While the online shift has been slowed, we have partnerships with all the major online sales avenues to make sure True Bloom is offered and promoted everywhere roses are sold. Amazon.com, Homedepot.com, Lowes.com, heirloomrosesonline, Walmart.com, on and on.

## **Global True Bloom Market Excitement!**

We like to share a story of a company in Australia called

Corporate Roses. They were funded by the Australia government to travel the world to study how roses are being produced to find what is next in roses. They currently are like Europe and many other places, budded bare roots are produced in large fields. The future market they see won't have the labor and resources to continue this method. They also see the complications with virus and bacteria from these methods of production. After visiting every major rose breeder around the world and studying how roses are being produced, Corporate Roses approach Altman Innovation to bring True Bloom to Australia to be the future of roses. We are honored to be leading the ways in breeding and production techniques to help transform their industry.

Our roses are testing extremely well in climates all over the world hot and humid they still do very well. They are also hardy on their own roots for cold in Northern parts of the United States and Canada. Also Northern Europe. Marathon Greenhouse in Greece is starting their first trials on True Bloom looking for future climate proof roses that can survive hot conditions and drought conditions once established. We are excited to continue to expand our partnerships strategically into the future to globally continue to bring the best genetics to each market.

## **What's Next in True Bloom**

We will continue to breed, test, and select the best hybrid tea shrub rose style roses based on what the consumers are seeking. We are starting to create new types of roses for other markets and different consumer interest like a new Miniature ground cover like our True Charm, and some new varieties that have less petals but are great for big landscape installations like code name Campfire and Blue Sky. We are excited to build upon our partnerships for each individual market and climate.