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## FORWARD THINKING

## A Wisconsin Grower Shares His Thoughts On What Growers Need To Know When Planning For Future Markets.

Get out your crystal ball. It's time to determine what you will be planting today for sale tomorrow, next year or even several years from now. This crystal ball-gazing process can be as complicated or as simple as you want to make it. Even though there isn't a right or a wrong way to make your plans, I believe there are processes and philosophies that growers can follow to make their businesses successful.

Before I get too far along, I should tell you a little about my company to help you know where I'm coming from. Silver Creek Nurseries Inc. is located in Manitowoc, WI, about 40 miles south of Green Bay, along Lake Michigan. We are primarily growers of large B&B shade trees, from 2- to 6-inch caliper. We also grow a few, similar-sized evergreen trees and a few container shrubs and evergreens, all for the wholesale market. We farm about 400 acres, which, from what I understand, makes us about medium-sized. Our primary market is the Upper Midwest and central Western states. According to the maps, our hardiness zone is Zone 5, but most Zone 5 plants can't begin to make it in our area. So for most purposes, consider us Zone 4.

Because of the nature of the plants I grow, I have to determine my planting and marketing strategy at least three years, and even up to 10 years, in advance. Talk about your future being written in stone! I can't think of any other industry where companies have to make such irreversible plans; yet, nursery professionals must do it every year. How can you make such concrete plans that far in advance and be right every time? You can't. That's one reason why there are surpluses and shortages of lining-out material and finished plants in our business.

CHANGE IS GOOD. Nurseries have been around for thousands of years, and each grower has specialized in one product or a line of similar products. Even Johnny Appleseed specialized in one type of plant: apples. Some companies offer a more complete line than **EBSCO**host Page 2 of 5

others, but they still specialize in a product line to be sold to a particular customer.

I think there are three main reasons why a company specializes in what they grow. The first is that growers like to produce plants that they like and that they know how to grow. Second, most growers have limited amounts of land and financial resources. Finally, the market a grower has chosen to sell to will affect production.

Before you start any growing operation, you must decide who your customers will be, what you should grow for them and what kind of competition there is. Then you must prove you can be a success with one product line before expanding into another, if you choose.

But to plan for the future, you have to understand the past. What plants have historically moved for you? What greatly helps me is to set up a chart that tracks past sales, including what sold at the regular price, what had to be discounted and what didn't move at all. From a chart like this, you should be able to detect patterns of your sales and set your marketing strategy for the coming years. All of us know what is our best moving plant and what is the worst, but for me, writing the information down helps to confirm my thoughts. Every once in a while, I see something that makes me say, "Oh sure, I forgot about that!" This is when I make changes.

Why do we even have to change? Wouldn't it be easier to plant the same varieties year after year and sell the same things to the same customer? That sure sounds pretty dull to me. Besides that, our customers demand new varieties, new forms and new uses for both new and old varieties of plants. Our competitors are always trying to get bigger pieces of the market, as well. So we must change to stay competitive.

In addition, pests and diseases can force us to change. There is always some pest or disease lurking around. Either a buildup of domestic pests or the introduction of an exotic pest can force us to abandon plants that we are so accustomed to using. So change becomes a necessary fact of life.

Once you realize that you need to make a change, you need to decide what direction you will take. One of the best ways to determine that direction is by talking with people in the industry. I am always told it s better to listen than it is to speak. If we all followed that wisdom, though, there surely wouldn't be much to listen to. Communication is a two-way street.

When it comes to determining what to grow, the first place I look is to my customers, particularly prospective customers. Customers are always the best source for information on what I could be growing. Ask them what plants they have an easy or hard time finding, and how they like the plant to be grown. A few years ago, the Wisconsin Landscape Contractors Association distributed a questionnaire asking contractors what their favorite plants were. Information like that is invaluable. If your associations haven't done anything like that, maybe it's time to initiate that process.

I am also a firm believer in being active in the various horticulture trade organizations. Trade-related newsletters and magazines are invaluable tools when planning your future crops, as well as helpful in keeping up with information from research and evaluations being done at various universities and arboreta. Don't be like the ostrich and bury your head in the sand. If you are serious about being in this business, you must keep up with the trends. Most likely your competitors belong to these organizations and read the trade magazines. In order for you to know where your competitors stand, you have to stay one EBSCOhost Page 3 of 5

step ahead of them.

I have attended more horticulture-oriented trade shows and seminars than I dare to count. Yet, these shows offer many benefits. Not only are the speakers informative, but the social times are equally important. There is so much information given freely in the hallways and aisles about growing and buying trends. Almost all of the companies in the horticulture business are family run. I think most of us tend to treat others in this business as extended family, too. Questions, answers, advice and experiences are shared among the extended horticulture family when we get together for these "family functions" These types of business and personal relations can last a lifetime.

**PICKING A WINNER.** In each type of growing operation, there are plants that I like to call "commodity plants." These are the staple plants that everyone grows and are usually sold at what the market dictates. In my area of growing, some people refer to these trees as the "big four:" ash, linden, locust and maple. They are usually easy to grow, grow quickly and are available in good quantities from most, if not all, growers. Just like corn or wheat, with a few exceptions, there is not much difference in quality. Should we all stop growing these commodity plants? No, but be aware of their position in the market.

How many of you remember the Hula-Hoop and Cabbage Patch Kids? And I'm sure most of you have at least heard of Beanie Babies. What about the fads in the horticulture business? We certainly have our share. Those hot plants that everyone wants, but no grower has enough for all their customers ... today. Then the fad fades and the growers are stuck with too many of these plants. The market usually drops, and we all end up with the former fad plants on our specials lists. You can't ignore these plants because there's a lot of money to be made by taking advantage of fads. You can also lose a lot of money and time, if you're not careful.

I tend not to grow too many of the current hot plants. I grow some to make sure my customers have them in their assortments. I also use them to get my foot in the door with new customers. Because I can't increase my acreage easily, however, any time I add a new plant to my fields or increase the plantings of a variety of plant, I have to reduce the quantity of another plant or plants to make room for the new ones. Several years ago, an old friend told me that he tries not to increase or decrease his plantings by more than 10 percent in any given year. I have tried to follow that advice in my plans.

When choosing new varieties to grow, I look for plants that offer something different or multiple seasonal interest of color, shape and form. The more unique plants I can find that fit multiple niches, the more ammunition I have to offer as many alternatives for my customers' needs as possible.

Once you have looked at your track record and gathered information from your peers and customers, what can you do with it? If your company is like mine, and you don't do any propagation, you have to find sources for the lining-out plants you are hoping to grow. As I said earlier, while you are researching what to grow, you are probably finding sources for many of the plants you are looking for. I really haven't found a single source for all the plants I like to grow. Each supplier whom I deal with specializes in a particular line of plants. Just like me, they are constantly evaluating new plant varieties to add to their line and dropping plants that haven't moved well for them.

Again, I'm a firm believer in attending trade shows, gathering catalogs and reading the trade magazines to locate the suppliers you need. Once you have found a supplier that fills your needs and works well with you, keep him. What I look for in a supplier for lining-

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out plants is what I aspire to be as a grower of finished plants. I look for a supplier who offers a well-rounded line of plants, has consistently good quality, is easy to deal with and is priced within the market.

It can take years to establish a rapport with a good supplier of lining-out plants. A longterm working relationship is very important when it comes to information on planting trends, as well as when looking for new plants and plants that are in short supply. Remember that any relationship is a two-way proposition. You need to remain loyal to those suppliers who are willing to do things for you and give you what you need.

Predicting a successful future for your business is not impossible, but it does require some research and keeping in touch with your market and the industry. Ask questions of fellow growers, customers and suppliers. Then be willing to share your knowledge. If you don't share, you'll never get anything back. Realize you can't grow everything, but take your best shot. Just keep that crystal ball polished.



At Silver Creek Nurseries Inc., Jeff Edgar follows certain production philosophies to ensure success for his shade tree business.

By Jeff Edgar

Jeff Edgar is the vice president and co-owner of Silver Creek Nurseries Inc. in Manitowoc, WI.

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