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## FLORICULTURE'S FUTURE AS I SEE IT

Roy A. Larson

Department of Horticultural Science, NCSU

*(The following excerpt was taken from Roy Larson's banquet discourse presented on 18 June 1993 at the first Southeast Greenhouse Conference and Trade Show in Greenville, S.C.)*

In 1949 a fellow by the name of Charles Franklin Kettering said, "We should all be concerned about the future because we will have to spend the rest of our lives there." It would be hard to argue with that statement.

When I was President of the American Society for Horticultural Science in 1989 I gave the Presidential Address in Tulsa, Oklahoma. I was the only president in 86 years who used two fairy tales for the theme of his talk. I cited the story of Chicken Little, hit on the head by an acorn and proclaiming "the sky is falling, the sky is falling". I also cited the story about Jack and the Beanstalk. He traded a cow for those magical beans, which eventually gave him access to a hen laying golden eggs, a harp playing beautiful music, and a pot filled with gold. There are aspects about floriculture's future which could make us shout, "the sky is falling" and there are aspects about floriculture's future which could enable us to hear a harp playing beautiful music.

The ever increasing importance of the southeast in floriculture truly could prompt us to forecast a pot filled with gold. According to the

1992 USDA statistical report 10% of the bedding plant value came from Alabama, Georgia, North Carolina, South Carolina, Tennessee and Virginia. (I didn't calculate the statistics from Florida or the figure would be even higher.) Twelve percent of the wholesale value of flowering potted plants was in those states. Those percentages should continue to increase.

The free trade policy among Mexico, Canada and the United States could adversely affect growers in the southwest and northeast, more than it should affect us. The hen laying golden eggs for us could be Chicken Little in southern California and New York. But we can't be complacent about foreign competition. In 1971 95% of the cut spray chrysanthemums sold in the United States were grown within our borders. Then the sky fell in and by 1991 only 18% was grown in the U.S. In 1971 95% of the carnations sold in the U.S. were grown here. By 1991 the sky had fallen in and only 15% of the carnations were grown domestically. In 1971 100% of the roses sold in the U.S. were grown here. By 1991 domestic production accounted for 52%.

"The sky is falling, the sky is falling" could be the call of the "mom and pop" greenhouse operations in the future, if they try to compete price-wise with the large firms. In 1988, 85% of the bedding plants sold were grown by only 25% of the growers, and 75% of the flowering potted plants were grown by only 10% of the growers. These statistics are following the path taken by the poultry industry in the last 20 years. There is a very limited market for the small chicken farmer. There once were as many poultry science departments in the U.S. as there were horticulture departments but now there are about 12 poultry science departments in this country. The poultry industry on the whole has been a hen laying golden eggs but the small poultry farmers saw Chicken Little just about vanish from their farms.

The smaller greenhouse firms are going to have to have something special to offer the consumer if they are planning to stay as a viable part of floriculture. They can't bank on the loyalty of the market they now serve - look at how loyal the markets were to the domestic cut flower growers. The American Floral Endowment recently published the preliminary results of a survey they conducted, asking consumers why they bought plants and flowers where they did. The major reason, by far, that people bought floral products where they did was convenience. That was true for florists' shops, street vendors, toll-free numbers and supermarkets. Convenience was the second-most important reason for discount and home improvement stores. Where are your markets located? Where will they be in the future? Will they be convenient? Not only for you, but surely for your customers.

The only outlets where price reigned supreme were the discount/home improvement stores. Garden centers were the only outlets that had quality in first place, followed by price. Quality came in second to convenience at the traditional florist shops, yet quality is the trait which florists consider to be their strong suit. Reputation was the third ranked reason why consumers went to retail florist outlets for their floral purchases.

Loyalty was never mentioned as a trait for any outlet.

If floriculture is going to continue to expand in the next century we will need more information like what I just reported, or we won't know what hit us or why it hit us as the sky falls on our heads. What are the attitudes of the generation after the baby boomers? We're constantly learning about the philosophies of those born between 1946 and 1964, the baby boomer generation, 80,000,000 strong. The next generation, born after 1964, has 62,000,000 in the U.S. Fifty percent of that number come from broken homes, and most are products of dual-career households. According to the author of an article in *Florist Management*, published by SAF, these people are not likely to respond generously or graciously to a hard sell approach. They have an appreciation for honesty and they enjoy humor. It is predicted that quality of life will be very important to the next generation and that could be a harp playing beautiful music to anyone in the floriculture industry.

Maintaining and improving the quality of life is what floriculture is all about. Don't just think about how many plants and flowers you sold last year or how much money you made. Think of the ways you helped so many people enjoy a better life than they would have if you and your business didn't exist - the sick, the bereaved, parents and grandparents of the new arrival, the wedding party, the mentally and physically impaired, the elderly, the homeowner, apartment dweller, the office employee. What a noble occupation, making life better for so many people - accompanied by that harp playing beautiful music.

Now one of the most frequent complaints I hear in the 1990s is excessive government regulations - "the sky is falling." For a democracy undoubtedly we are over-regulated but that's probably because so many people don't follow the golden rule. They don't do unto others as they want done to them, or they do unto others what they surely wouldn't want done to them, a pure case of double standards. A lengthy book on how to comply with government regulations with

regard to labor most likely wouldn't have had to be published if everyone treated employees as they would like to be treated. Labor relations might very well be a much bigger issue than competition, marketing or technology in floriculture's future. In 1979 59% of employees in floriculture were part-time employees. In 1988 it had risen to 65%. Some segments of floriculture are very seasonal and employees are not needed year around, but many people are employed part-time to avoid payment or provision for any fringe benefits. I don't think one can expect a loyal, happy work force when benefits to them are avoided. Some employers give absolutely no thought to the status or moods of people working for them but they fear the wrath of an unfriendly computer.

Many of you complain about all the government regulations but do you do anything about them? When did you last write a letter to a county commissioner, a city alderman, a state legislator, a U.S. congressman or senator, the mayor, governor or president? Do you support the organizations that could enable you to approach those people with strength in numbers? Most greenhouse firms have a big investment at stake, much more than most retail florists would have. So how supportive are growers and florists of SAF, our major lobbying and public relations organization in this country? Compare the most recent membership figures - Alabama, one grower belongs, 119 retail shops. Georgia, two growers, 101 retailers. North Carolina, seven growers, 245 retailers. South Carolina, one grower, 111 retail shops. Tennessee, one grower, 87 retailers. Virginia, five growers, 193 retailers. The total for the six states - 17 growers, 856 retailers. You invest in structures, crops, transportation,

equipment and labor but you don't invest in government or public relations. There are 50 times more retailers than growers who make that investment. To show you that the problem is national in scope I took the latest SAF directory and did some arithmetic. It took 163 pages to list all the retail shops which belong to SAF. Thirteen pages were needed to list "all" the greenhouse firms.

Some of you will argue that you don't join SAF because it is too retail oriented. Growers probably get more attention from SAF than their skimpy membership roster warrants. With the argument in mind that SAF is not strongly grower oriented let's examine the membership statistics for six southern states in the Professional Plant Growers' Association (PPGA), formerly BPI. Alabama has 7 growers in PPGA, Georgia has 11, North Carolina 20, South Carolina 13, Tennessee 7 and Virginia 20. That's a total of 78 in the part of the country which produces 12% of the wholesale value of flowering potted plants and 10% of the bedding plants and garden plants. Two per cent of the growers in the six states belong to SAF and 7% belong to PPGA. Those facts do not sound like beautiful music coming from a harp. (Table 1).

**Table 1. Greenhouse and retail shop membership in SAF, grower membership in PPGA, and number of commercial growers in six southern states.**

State	Membership in:			Number of commercial growers*	Grower membership (%) in:	
	SAF		PPGA		SAF	PPGA
	Retail	Grower				
Alabama	119	1	7	202	<1	3
Georgia	101	2	11	183	1	6
North Carolina	245	7	20	194	4	10
South Carolina	111	1	13	114	<1	11
Tennessee	87	1	7	165	<1	4
Virginia	193	5	20	214	2	9

\*Data obtained from Floriculture Crops 1992 Summary, USDA, April, 1993.

Chicken Little would be very uneasy and pessimistic if she realized that flower growers in the southeast, or the whole country, do not join hands for support but try to go it alone. Growers in unison should tell legislators about the floriculture industry. It is one of the very few segments of agriculture which continues to increase in value, in the number of people involved. We have surpassed some of the agronomic crops which were on top for decades. Can you imagine the clout this region could have if 1,072 greenhouse firms responded to a call for support? Chicken Little could put away her umbrella and quit squawking that the sky is falling.

A concern that has been expressed in many trade journal articles and short course talks is the loss of people in floriculture research, teaching and extension. If you look at the program for this conference you might think we could discount that concern - we have university people here from Arizona, Auburn, Clemson, Cornell, Florida, Georgia, N.C. State, Purdue, about 15 people. But for the last several years we have lost people

involved with floriculture. Most universities are experiencing an increase in the number of administrators but a loss of people "in the trenches." Funding also continues to decrease. So what do most industry members do? Nothing!

Does this loss really affect you in any way? Let me give you an example of how it affects you. I'm on the Advisory Board of the Poinsettia Growers' Association, an appointment which surprised me as I was not an advocate of the organization. Why was it formed? One of the major reasons was to cover the expenses of troubleshooting, education and promotion which primarily fell on one prominent firm. In 1979 this company had about 500 phone calls from poinsettia growers with problems. In 1989 they had about 1700. In 1990 the number had soared to about 3300 and in 1992 it was about 4200 (Figure 1). Their funding for researchers was being spent answering telephone calls, and the calls usually came when their technical staff was most pressed for time. Many of those phone calls would have been handled by university personnel in previous years but people such as Dick Widmer

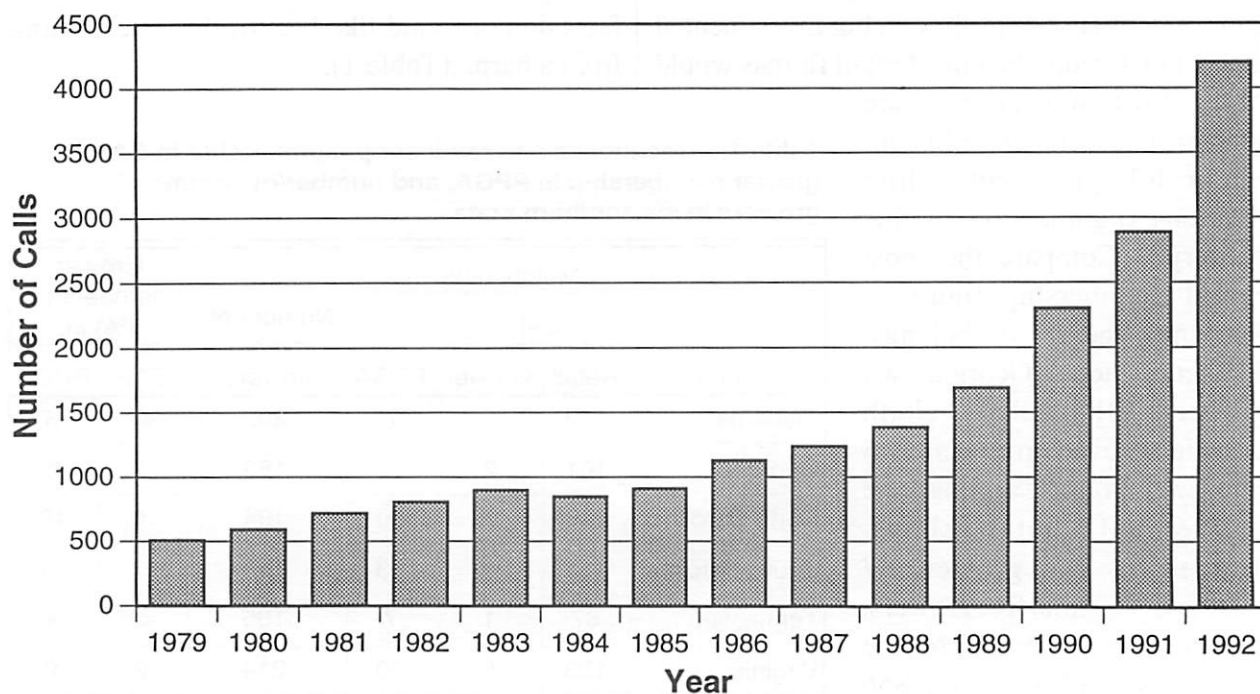


Figure 1. Annual number of grower calls received at Paul Ecke Poinsettias from 1979 to 1992. Data supplied by the Poinsettia Growers' Association.

and Harold Wilkins in Minnesota, Lou Berninger in Wisconsin, Dick Payne in Oklahoma, Marlin Rogers in Missouri, Jim Shanks in Maryland, John Seeley in New York had retired, and all had had years of experience on poinsettia culture. Some key people in entomology and plant pathology also had been lost. Not all of these individuals were replaced and the company had to fill in the gaps.

Other crops face the same shortages. Will the propagators try to make ends meet by forming similar associations? Chicken Little would really be upset if she figured she would have to join a chrysanthemum association, an Easter lily association, a geranium association, and one could add many more.

I wish very much that I could have eliminated Chicken Little and her pessimism and only discussed Jack and the Beanstalk, the hen and the golden eggs, the pot filled with gold, and the harp

playing beautiful music as I gave my views of floriculture's future. Honesty and realism stopped me from doing that. Perhaps our greatest strength will be the desire of the public to have an improved quality of life. Our greatest weakness might be that people elsewhere will be more willing to meet, compete and promote than we are.

In 1841 Henry Wadsworth Longfellow wrote, "Look not mournfully into the Past. It comes not back again. Wisely improve the present. It is Thine. Go forth to meet the shadowy Future, without Fear." The floriculture industry does have the strength to prevent "the sky" from falling, it also has the potential to be "a pot filled with gold". Write down the things that make you glad you chose the profession that you did. Will those positive reasons still be there in the future? If the answer is "yes" just close your eyes and listen; that's harp music you hear, played by people who want a better life, and they need you.

## COMING EVENTS

<u>Event</u>	<u>Date</u>	<u>Time</u>	<u>Location and Contacts</u>
Carolina Chapter American Horticultural Therapy Association 5th Annual Conference	Friday September 17		Caswell Center, Kinston, N.C. Contact Kathy Ham at (919) 559-5116 for more information.
26th International PPGA Conference and Trade Show	Saturday-Tuesday October 2-5		Tampa, FL. Contact PPGA at 1-800-647-7742 for further information.
6th Annual National Conference on Specialty Cut Flowers	Thursday-Sunday November 4-7		Kansas City, Kansas. Contact Judy Laushman at (216) 774-2887 for further information.
N.C. State University Poinsettia Open House	Wednesday December 1	10:00-3:00	Horticulture Field Laboratory, Beryl Road, Raleigh, N.C. Contact Roy Larson at (919) 515-3132 for more information.
N.C. Green'N'Growin Show	Thursday-Saturday January 6-8, 1994		Benton Convention Center, Winston-Salem, N.C. Contact Bill Wilder at (919) 266-3322 for further information.
GrowerExpo	Saturday-Tuesday January 8-11, 1994		Hyatt Regency O'Hare, Rosemont, Illinois. For a complete brochure call (708) 208-9080 or FAX (708) 208-9350.
N.C. Floral Marketing Expo	Tuesday-Wednesday January 25-26, 1994		Benton Convention Center, Winston-Salem, N.C. Contact Doug Bailey at (919) 515-3321 for further information.