

THE WESTERN MARKET

Besemer 86

We know the facts: imports continue to increase. It gets more difficult to compete because of increasing costs (land-labor-water-energy-supplies) and more costly regulations. Our government is committed to "free trade", not "fair trade." We Californians have lost eastern markets on many items. This is the "bad news"!

The "good news" is that we have a rapidly expanding "Western Market." The 13 western states (including Alaska and Hawaii) plus British Columbia, Canada have a population of nearly 50 million. Of course the state of California represents over half of these people (presently about 26 million). California will grow to 31 million people by the year 2,000. That's only 14 years away!

Also, flower consumption per capita (the statistics vary) have increased at least 100 percent since 1975, or from \$10 to \$12 per person to \$15 or \$20 per person in 1986. The two factors working upward are a form of geometric progression!

If we take our present production base in California--3,500 acres of greenhouses and 8,000 to 12,000 field acres of floral crops--the present farm value approaches \$600 million. Double this to retail supermarket sales of \$1.2 billion and divide by the projected 30-plus million people in California by the year 2,000 and we approach a reasonable per capita consumption of \$40. That \$40 per person is a reasonable goal by the year 2,000. But, we forgot the other western states and British Columbia. If the total western population becomes 60 million people, we will still be selling only \$20 per capita in the year 2,000. *We need to double our production base!*

How can we reach our goals of \$40 per capita in the next 14 years?

1. Develop a more efficient distribution system that eliminates middleman costs and gets products in better condition--and faster--from the producer to the consumer. As Joe Howland (University of Reno marketing professor) says, "Forty-eight hours to the consumer is a reasonable and attainable goal."
2. Develop more retail points of sale. A recent report from the Flower Council of Holland stated that the number of inhabitants per floral outlet was:

- 1,850 for Holland
- 3,000 for West Germany
- 3,250 for Switzerland
- 7,800 for the United States of America.

We need 2 to 4 times as many retail outlets! Supermarkets and street-corner stands can be more effective than traditional retail florists although they will all benefit together as flower and plant popularity continues to increase.

3. Expand production in new areas of California. Build new, more capital-intensive facilities that incorporate labor saving devices, up to 75% energy efficient, better environmental controls and management, more efficient use of sun energy (PAR) and using more productive and high quality crops.



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JUNE 1986

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"YEAR OF REGULATIONS"

The last six months have been busy for this farm advisor. I wondered why until I looked back at all the committee meetings and grower meetings. A great share of these had to do with new government regulations: the Brown Snail Quarantine, Pesticide Use Regulations (new law in 1987), International Trade Law Violations (anti-dumping and countervailing duties), special use permit application for un-registered insecticides for leafminer control, toxic waste handling and disposal and personnel training for safe use of pesticides. Somehow, I escaped, water pollution complaints and Coastal Commission permits!

Coincidentally, our good friend Jim Krone, executive secretary of Roses Incorporated, came up with the same idea. In the April 1986 issue of the Roses Incorporated Bulletin, pages 4 and 5, he has written a delightful editorial entitled "Mama Told Me There Would Be Days Like This." Jim suggests that the year 1986 should be named the "Year of the Regulation," or . . . . "The Big Pain....Doing Business Department." Good show, Jim!

BOX STANDARDS

Local flower shippers, growers, and pot plant handlers should all read the new SAF-PMA pamphlet on "Box Standards for the Floral Industry."

Finally, a national committee has boiled the box sizes down to eleven, plus some half box sizes--21 total boxes. Also, they have settled on standard pack sizes for pots from the 3-inch diameter to 14-inch.

For both cutflower and pot plant shipping boxes, specifications are also stated for type of construction materials and proper assembly methods.

A final point of utmost importance in the pamphlet is to direct packaging of pot plants for supermarkets to fit standard pallets of 48" x 40" (120 cm x 100 cm).

These standards are one major factor to make distribution more efficient.

4. Diversify crops. With the micro-climates of California we can produce any crop (except some pure tropicals) of the world. We can concentrate on items other areas cannot produce or market efficiently. There will be many new improvements of old crops or crops that were formerly not used for cut flowers or house plants. And, there will always be a local market and local production for even the "import of crops."
5. Create new products and innovative packaging. Paul Ecke used to sell 6- and 8-inch red poinsettias. Now he sells red-white-pink combination pots, hanging baskets, small trees, large trees, pixies, miniatures for florist make-up, and miniatures in little acrylic self-watering boxes. These are "products"; the poinsettias are the "raw materials"!
6. Promotion of all kinds. Yes, regularly advertising is important. But more real life exposure is needed of fresh flower and fresh plant displays at fairs, trade shows, exhibitions, flower shows, TV program backgrounds, restaurants, and all kinds of special public events. The supermarket and streetcorner displays are also part of this self-promotion. Flowers and plants do sell themselves! But the public has to see them, smell them, and touch them!
7. And who knows, maybe the foreign producers' costs will then equal ours and their government regulations will be like ours!

And, back to the \$40 of flowers and plants to be purchased per person by the year 2,000 ---- this is a realistic and attainable goal for California!

#### UPCOMING MEETINGS

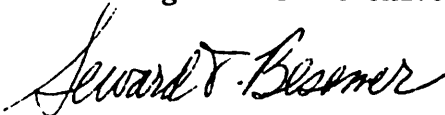
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| <p>(1) June 24, 1986<br/> <u>1:30 - 4:30 PM</u><br/>         San Diego County<br/>         Flower and Plant<br/>         Auction, 6060<br/>         Avenida Encinas,<br/>         Carlsbad</p>   | <p><u>WEED CONTROL IN FIELD FLOWER CROPS</u><br/>         Dr. Clyde Elmore, Extension Weed Control Specialist, UC-Davis, will cover the weed problems and controls for the primary field flowers and answer specific questions on the secondary crops. (There may be a need for a donation to cover Dr. Elmore's travel expenses.)</p>  |
| <p>(2) August 28, 1986<br/> <u>1:30 - 4:30 PM</u><br/>         San Diego County<br/>         Flower and Plant<br/>         Auction, 6060<br/>         Avenida Encinas,<br/>         Carlsbad</p> | <p><u>NEW CROPS AND ISRAEL UPDATE.</u> We now have four world-renowned speakers for new crops. They are Professor Abraham Halevy, University of Jerusalem; Dr. Anton Kofranek, UC-Davis, Mr. Greg Lamont, New South Wales Department of Agriculture, Australia; and Mr. Merv Turner, a breeder of Kangaroo Paws near Melbourne, Australia. This should be a star-spangled report on some interesting research on new crops!</p> |

## CALIFORNIA PLANT DISEASE HANDBOOK AND STUDY GUIDE IS REVISED

Many people involved as advisors in the agricultural pest control field will welcome the revised edition of *California Plant Disease Handbook and Study Guide for Agricultural Pest Control Advisors*. The list of topics is:

1. General Principles
2. Diagnosing Plant Diseases
3. Plant Diseases Caused by Fungi
4. Plant Diseases Caused by Bacteria
5. Plant Diseases Caused by Mycoplasmas
6. Plant Diseases Caused by Viruses
7. Plant Diseases Caused by Parasitic Seed Plants
8. Nonparasitic Plant Disorders
9. Cultural & Biological Control Methods
10. Plant Resistance for Controlling Disease
11. Control of Plant Diseases with Chemicals
12. Individual Crop Diseases
  - Field & Forage Crops
  - Vegetables
  - Tree Fruits & Nuts
  - Small Fruits
  - Ornamentals
13. Chemicals Used in Plant Disease Control
14. Glossary of Terms
15. References

This publication is available from ANR Publications, University of California, 6701 San Pablo Avenue, Oakland, CA 94608-1239; telephone 415/642-2431. Ask for Publication 4046. The cost is \$6 plus sales tax. Make your check payable to "The Regents of the University of California."



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