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RETAIL

Smaller's better for South Florida's nurseries

By Georgia Tasker

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Many consumers are more apt to put any extra dollars into food than ferns or flowers as they cope with a contracting economy. And this thriftiness is impacting South Florida's nursery industry.

"This time of year, I'd be selling 2,000 orchids a week to wholesalers. They're not here," said South Miami-Dade orchid grower Ruben Sauleda, who has been growing and selling orchids for four decades. "The wholesalers were a lot of people who sell at flea markets and to other nurseries. That's all gone."

He is selling instead through the Internet and lowering prices. "And I'm putting things on consignment at nurseries on Krome Avenue, with people I've known a long time."

South Florida's ornamental plant and foliage industry is in an economic vise, and the problem is not just related to orchids. Nursery owners are tightening belts, laying off workers and looking for new strategies to stay afloat.

At the recent Tropical Plant Industry Exhibition in Fort Lauderdale, the annual trade show for houseplant and foliage growers, the foot traffic was light and the mood was a determined stiff-upper-lip.

FEWER BUYERS

Peter Wilson of Greendale Nursery in Homestead manned a booth with unusual bat plants and vines called Dutchman's pipe. "Out of state companies are not sending in buyers. That might be a harbinger of things to come," he said.

"The vast majority have experienced a downturn," he said.

Living Colors Nursery, a specialty grower based in Homestead, is cutting costs to become more efficient, said sales manager Lisa Phillips. "We can't raise our prices." In fact, the nursery lowered prices in November and December.

"We're marketing more carefully," Phillips said. "People are not traveling, and so we're selling on the Internet. The Internet has made commerce easier."

New from the nursery are small bromeliads that can be shipped 15 to a box rather than six to a box for larger types. "The freight is less for the customer," Phillips said.

Smaller, too, are plants produced by Driftwood Gardens in Apopka, which also is diversifying into garden furniture, said Don Schoonover, sales manager. Two-inch pots of bromeliads intended to be set on the counter at a garden center and grocery store are examples of "what people can afford -- with colorful impact but less expensive."

Kerry's Nursery, one of the largest orchid and bromeliad growers in the country, also is dressing up plants in "couture" lines of blown glass and ceramic containers, in some cases matching the pot color to the plant color. Yet, Kerry's reduced its payroll by 30 percent last year, said owner Kerry Herndon. "Everybody did, and they're still doing it," he said.

MAJOR DROP IN SALES

"Every summer is slow, but we make up for it in the fall," Herndon said. "This fall, the world came to an end. Sales dropped by 40 percent in some stores."

Two years ago, Herndon bought the Apopka tissue culture company Twyford. The lab reproduces tropical plants and grows them to tiny plants, an inch or two tall, called liners. Wholesale nurseries buy the little plants and grow them to larger plants, then resell them. But last year, wholesalers weren't moving merchandise.

"Twyford threw away millions of liners," he said.

A BRIGHT SPOT

Costa Nursery Farms, a huge operation that, like Kerry's, markets to the big box stores as well as supermarkets, saw a profit last year for its indoor plant business, said Charlie Acevedo, vice president for sales. Costa's business is 70 percent indoor plants, 30 percent bedding plants. While the outdoor bedding plants showed a softness in the market, the indoor plant business expanded, he said.

For indoors, Costa also is marketing mini bromeliads and orchids as well as an expanded line of cactus and succulents in dish gardens. Acevedo said "Costa is taking mini-*Phalaenopsis* orchids in two-inch pots and putting them in dressier ceramic containers 'to make it look like more than a two-inch mini. The mini orchids are a great example of an item that you say, 'You know what, for \$9.99 or \$12.99, I'll buy it for a gift.' "

In contrast to Costa's profitable year in 2008, six Redland orchid growers had a weekend open-house and sale in October, and "across the board, everyone said they did about 60 percent of what they had done previously," said Martin Motes, owner of Motes Orchids. At a West Palm Beach show in late September, Motes said, "We did well, but we did find people were not buying the high-ticket items. What we started selling was B-grade. People still want the product, but at lower prices."

Sauleda, who has part of his orchid business for sale, said, "There's money out there. It just doesn't come to you anymore. People will buy orchids, but you have to put them in front of their noses. They won't pay more than \$15 or \$20 for a plant. I gotta sell wholesale for \$10. That's the lowest I can go."

This past weekend at the Tamiami International Orchid Show, which he organized, Motes expected to see vendors drop out for lack of \$900 for booth rental. Last year, 50 orchid vendors participated. This year, he anticipated 35 or 36. "We getting more and more orchid-related vendors: jewelry, ceramics, fancy plant stakes. . . . partially because the rent is cheaper for them than for plant sales," he said.

The competing Miami International Orchid Show, which takes place at the end of February, is experiencing a similar drop in participating vendors.

Ti plants and aglaonemas, two staples of the interior plant industry, are bread and butter for the 30-year-old company Suncoast Nursery in Bradenton. Owner Sandy Garrison said, "We have lowered our inventories a little. We cut the payroll by two or three laborers out of 17 last year."

Yet, like others, Garrison is cautiously optimistic. "We're staying in communication with our customers. Everyone is ordering, but ordering conservatively. Are we down? Yes, 20 percent, which is pretty significant. But spring is an optimistic time in the business. That's where the market is, and coming up are Valentine's Day, Easter and Mother's Day."

NEW PRODUCTS

At G & C Sales, Glen Savill radiated more than optimism. His 10-year-old company imports products from China; eight months ago, it began bringing in biodegradable containers.

The company had a booth at the fall exhibition of landscape plants held in Orlando, and "we got good interest," said Savill. "I said this [the Tropical Plant Industry Exhibition in Fort Lauderdale] would be the show to bring the pots to."

Both citrus growers and aglaonema growers are interested in pots that degrade in months rather than years. Savill said he and his Chinese partner Simon Tu did some overnight phone work and found that they can produce them.

"When we came here, we didn't know what would happen. We could have sat here for three days. But if these [proposals] come off, we could quadruple our size."



To save on freight costs, Living Colors Nursery in Homestead now ships small bromeliads that can be packed 15 to a box. Florentina Escobar carefully wraps each plant.

PETER ANDREW BOSCH / MIAMI HERALD STAFF