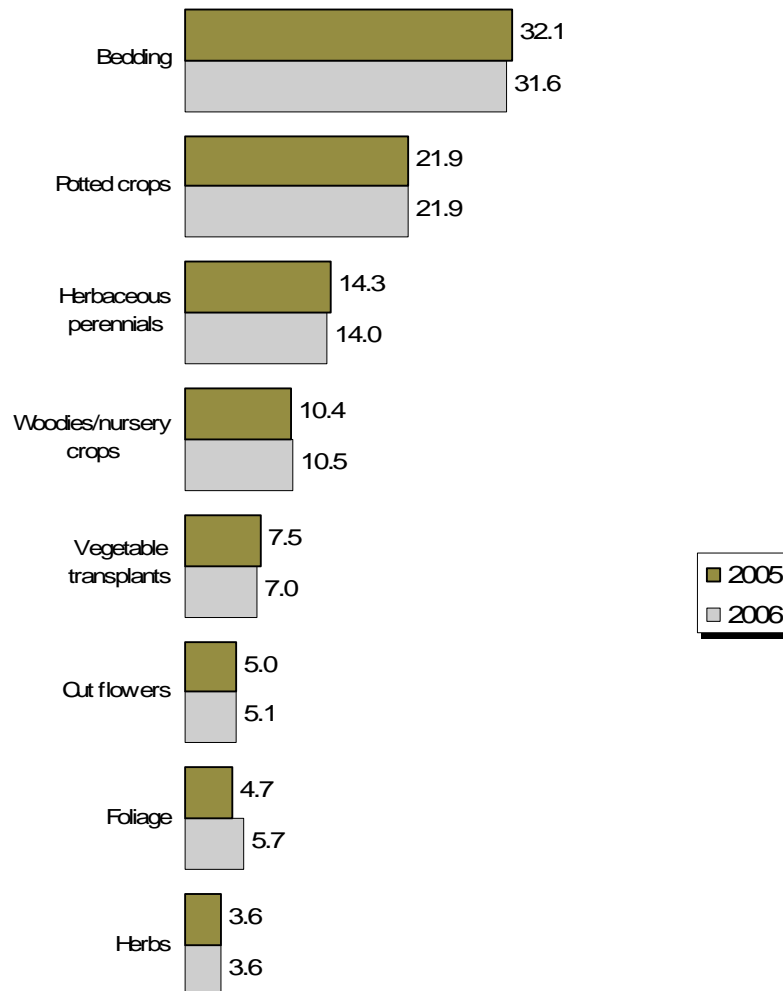


Question 8: Approximately how much of your production was devoted to the following crop categories in 2005 and what are your projections for this year?

ANALYSIS

Bedding was the largest produced crop at growers' facilities in 2005 and made up an average of 32% of all crops. Potted crops was the second most produced with an average of 22%, followed by Herbaceous perennials (14%), woodies/nursery crops at 10% and vegetable transplants making up 8% of crop production.

Projections for this year appear to be very steady with all of the major crops staying consistent with 2005 production.



Average of Mentions – sorted by 2005 production percent

2006 GPN SOI Survey
(Excludes retail)

Q8a. 2005 Average

		Total			Gross Sales					Total Growing Area			
		Respondents	All - exclude retail	Whole sale only	Whole sale/ retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Bedding	Mean	31.5%	31.5%	30.0%	32.9%	17.4%	36.1%	37.3%	33.2%	28.7%	29.8%	37.7%	30.8%
Herbaceous perennials	Mean	14.3%	14.3%	15.6%	13.0%	12.4%	12.9%	15.8%	16.2%	8.8%	21.3%	13.8%	14.2%
Potted crops	Mean	23.1%	23.1%	23.9%	22.3%	22.4%	21.2%	26.6%	23.7%	26.2%	16.9%	22.8%	23.3%
Woodies/nursery crops	Mean	10.9%	10.9%	13.3%	8.6%	12.8%	8.1%	8.5%	14.2%	6.3%	10.7%	6.6%	19.1%
Foliage	Mean	5.0%	5.0%	6.6%	3.5%	2.8%	5.6%	4.5%	6.8%	4.6%	2.2%	9.1%	4.1%
Vegetable transplants	Mean	6.5%	6.5%	2.8%	10.2%	15.3%	5.5%	4.1%	2.6%	12.0%	7.8%	3.5%	3.2%
Cut flowers	Mean	5.0%	5.0%	5.3%	4.6%	10.4%	6.2%	1.0%	1.8%	7.6%	7.5%	3.4%	3.0%
Herbs	Mean	3.0%	3.0%	2.2%	3.8%	6.6%	2.6%	2.1%	1.0%	4.0%	3.8%	3.0%	1.9%

Q8b. 2006 Average

		Total			Gross Sales					Total Growing Area			
		Respondents	All - exclude retail	Whole sale only	Whole sale/ retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Bedding	Mean	31.3%	31.3%	29.6%	33.1%	17.9%	36.1%	36.8%	32.5%	29.1%	30.2%	35.5%	31.0%
Herbaceous perennials	Mean	13.8%	13.8%	14.8%	12.7%	11.9%	13.1%	14.1%	15.8%	9.4%	20.7%	12.4%	14.0%
Potted crops	Mean	22.5%	22.5%	22.2%	22.9%	20.9%	20.3%	26.8%	23.5%	25.1%	17.4%	22.1%	23.2%
Woodies/nursery crops	Mean	11.2%	11.2%	13.7%	8.7%	13.1%	9.0%	8.1%	14.5%	6.4%	9.7%	8.1%	19.0%
Foliage	Mean	6.5%	6.5%	9.1%	3.8%	3.9%	7.2%	5.6%	8.7%	5.4%	2.9%	12.3%	4.9%
Vegetable transplants	Mean	6.1%	6.1%	2.2%	10.2%	15.1%	5.4%	3.9%	1.7%	11.9%	7.5%	3.3%	2.3%
Cut flowers	Mean	4.7%	4.7%	5.3%	4.2%	9.1%	6.6%	.9%	1.8%	6.6%	7.9%	3.5%	2.9%
Herbs	Mean	3.2%	3.2%	2.2%	4.2%	7.1%	2.8%	2.4%	1.1%	4.6%	3.7%	3.1%	2.0%

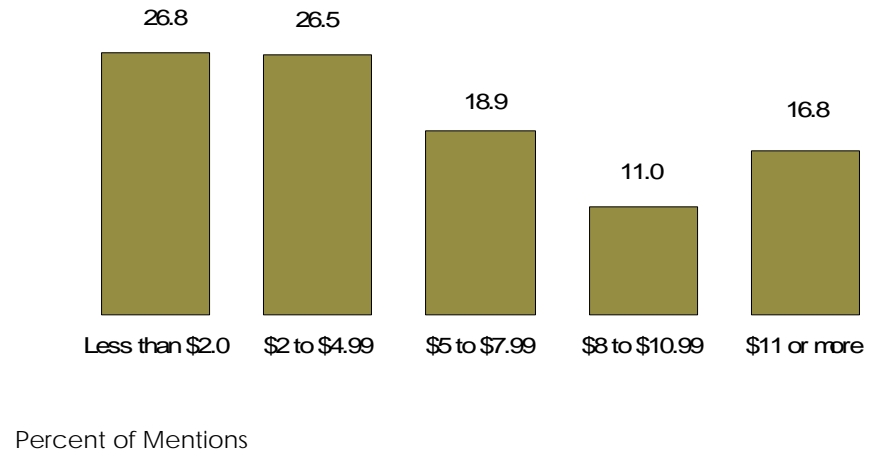
Question 9: What was your average production cost per square foot in 2005?

ANALYSIS

The average cost of production per square foot in 2005 was \$8.3.

One in six or 17% of growers stated that their production cost was \$11 or more.

Average cost per sq. ft.
Mean = \$8.3



2006 GPN SOI Survey
(Excludes retail)

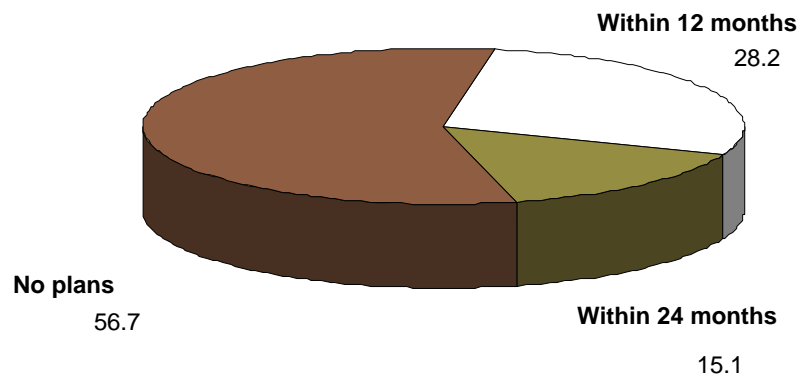
Q9. 2005 Average Production Cost

	Total				Gross Sales				Total Growing Area			
	Respondents	All - exclude retail	Whole sale only	Whole sale/ retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Average production cost per sq ft	Mean \$8.5	\$8.5	\$9.2	\$7.7	\$7.6	\$4.8	\$10.1	\$11.7	\$8.4	\$5.2	\$9.0	\$9.5

Question 10: Do you plan to expand your operation:

ANALYSIS

Forty-three (43%) of growers plan to expand their operations. More than one-quarter (28%) are planning this expansion within 12 months and 15% between 13 and 24 months.



Percent of Mentions

2006 GPN SOI Survey
(Excludes retail)

Q10.

			Total	Business Type			Gross Sales				Total Growing Area			
			Respondents	All - exclude retail	Wholesale only	Wholesale/retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Expansion plans	Within the next 12 months	Count	125	125	66	59	24	31	24	43	24	22	24	49
		Col %	29.8%	29.8%	31.6%	28.0%	25.8%	27.2%	26.1%	37.1%	20.5%	38.6%	24.0%	36.6%
	Within the next 24 months	Count	67	67	38	29	15	14	15	23	10	10	21	24
		Col %	16.0%	16.0%	18.2%	13.7%	16.1%	12.3%	16.3%	19.8%	8.5%	17.5%	21.0%	17.9%
	No plans to expand at this time	Count	228	228	105	123	54	69	53	50	83	25	55	61
		Col %	54.3%	54.3%	50.2%	58.3%	58.1%	60.5%	57.6%	43.1%	70.9%	43.9%	55.0%	45.5%

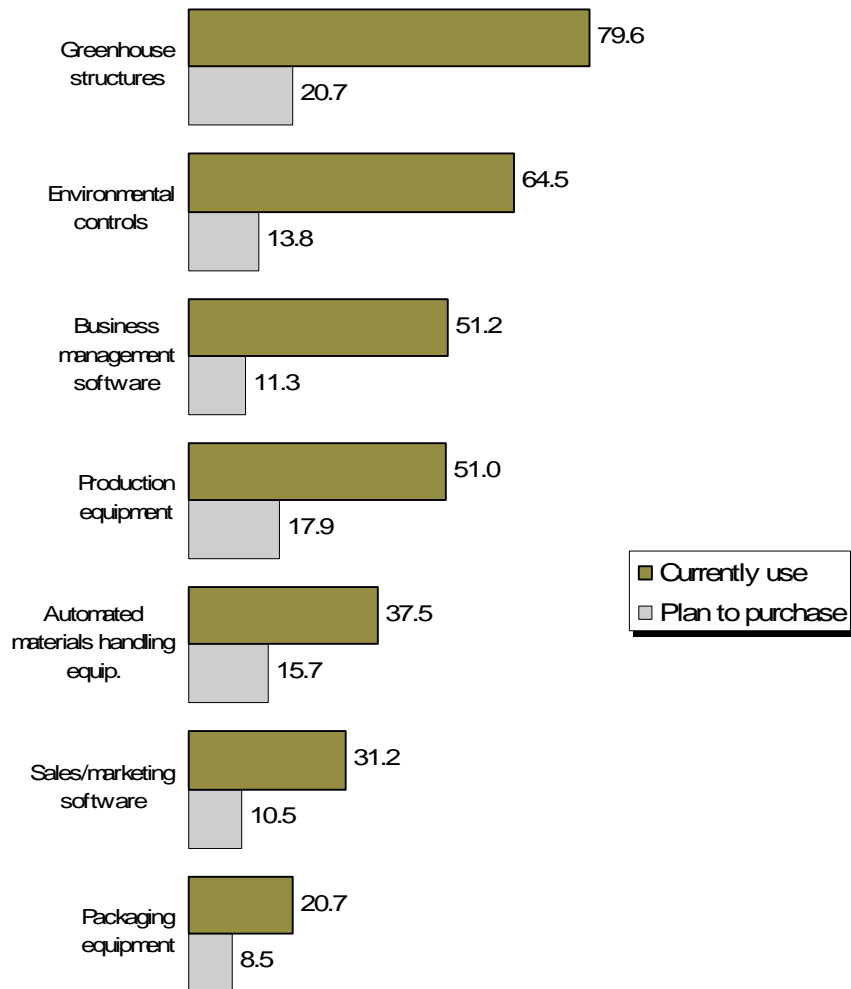
ABR Research, Inc. (May 2006)

Question 11: Which of the following products do you currently use and which do you plan to purchase within the next 12 months?

ANALYSIS

From seven product categories, greenhouse structures were the most widely used. These structures are currently used by 80% of growers, followed by environmental controls (65%), business management software and production equipment (51%).

Greenhouse structures also topped the list of the product most planned for purchase. More than one in five (21%) stated that they plan to purchase greenhouse structures within the next 12 months, followed by production equipment (18%) and automated materials handling equipment (16%).



Percent of Mentions – sorted by 2005 production percent

2006 GPN SOI Survey
(Excludes retail)

Q11a.

			Total	Business Type			Gross Sales				Total Growing Area			
			Respondents	All - exclude retail	Wholesale only	Wholesale/retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Products Currently used	Automated material handling equip.	Cases	191	191	128	63	7	30	65	86	21	20	59	86
		Col %	44.1%	44.1%	58.4%	29.4%	7.5%	25.6%	67.7%	71.7%	17.8%	34.5%	56.7%	64.2%
	Production equipment	Cases	249	249	146	103	21	51	70	102	32	28	75	107
		Col %	57.5%	57.5%	66.7%	48.1%	22.6%	43.6%	72.9%	85.0%	27.1%	48.3%	72.1%	79.9%
	Environmental controls	Cases	301	301	168	133	45	67	80	104	68	35	76	111
		Col %	69.5%	69.5%	76.7%	62.1%	48.4%	57.3%	83.3%	86.7%	57.6%	60.3%	73.1%	82.8%
	Greenhouse structures	Cases	356	356	182	174	65	91	85	109	88	48	88	121
		Col %	82.2%	82.2%	83.1%	81.3%	69.9%	77.8%	88.5%	90.8%	74.6%	82.8%	84.6%	90.3%
	Business management software	Cases	250	250	148	102	28	57	69	92	45	32	67	95
		Col %	57.7%	57.7%	67.6%	47.7%	30.1%	48.7%	71.9%	76.7%	38.1%	55.2%	64.4%	70.9%
	Sales/marketing software	Cases	156	156	102	54	12	23	41	76	20	18	39	71
		Col %	36.0%	36.0%	46.6%	25.2%	12.9%	19.7%	42.7%	63.3%	16.9%	31.0%	37.5%	53.0%
	Packaging equipment	Cases	110	110	71	39	11	12	29	55	16	11	22	57
		Col %	25.4%	25.4%	32.4%	18.2%	11.8%	10.3%	30.2%	45.8%	13.6%	19.0%	21.2%	42.5%
8.00	Cases	433	433	219	214	93	117	96	120	118	58	104	134	
	Col %	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	

ABR Research, Inc. (May 2006)

Question 12: By approximately what percentage have your total gross revenue and profit margin changed from 2004 to 2005

ANALYSIS

The average overall profit margin change between 2004 and 2005 was +7.0%.

Of those stating that their profit margin went up the average increase was 17% and of those stating it went down the average decrease was 12%.

<p>Average Overall Profit Margin Change</p> <p>Mean = +7.0%</p>	<p>Average Gross Revenue Change</p> <p>Mean = +1.6%</p>
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2006 GPN SOI Survey
(Excludes retail)

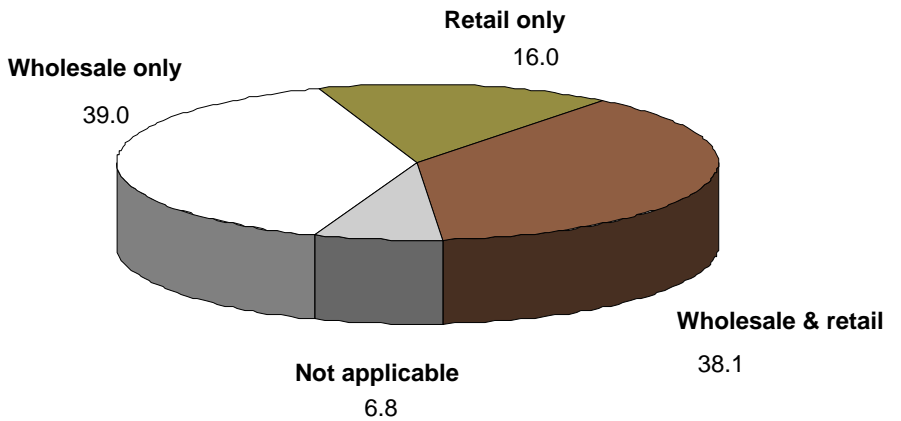
Q12.

		Total				Gross Sales				Total Growing Area			
		Respondents	All - exclude retail	Whole sale only	Whole sale/ retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Gross revenue - up	Mean	16.8%	16.8%	14.0%	19.5%	33.0%	16.6%	11.6%	11.6%	21.2%	25.9%	12.0%	12.5%
Gross revenue - down	Mean	12.0%	12.0%	10.9%	13.3%	15.6%	14.5%	9.2%	8.8%	13.9%	10.0%	14.1%	9.0%
Profit margin - up	Mean	15.7%	15.7%	11.0%	19.7%	27.2%	13.6%	13.3%	10.3%	23.3%	17.5%	10.5%	13.7%
Profit margin - down	Mean	13.7%	13.7%	14.0%	13.3%	24.8%	13.2%	12.9%	9.8%	16.8%	10.8%	14.2%	11.9%

Question 13a: Is your business:

ANALYSIS

More than one-third (39%) of respondents businesses are exclusively wholesale, while 38% sell retail as well. Retail only businesses account for 16% of responses.



Percent of Mentions

2006 GPN SOI Survey
(Excludes retail)

Q13a.

			Total	Business Type			Gross Sales				Total Growing Area			
			Respondents	All - exclude retail	Wholesale only	Wholesale/retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Business type	Wholesale only	Count	219	219	219	0	16	41	59	100	28	23	60	100
		Col %	50.6%	50.6%	100.0%	.0%	17.2%	35.0%	61.5%	83.3%	23.7%	39.7%	57.7%	74.6%
	Wholesale and retail	Count	214	214	0	214	77	76	37	20	90	35	44	34
		Col %	49.4%	49.4%	.0%	100.0%	82.8%	65.0%	38.5%	16.7%	76.3%	60.3%	42.3%	25.4%

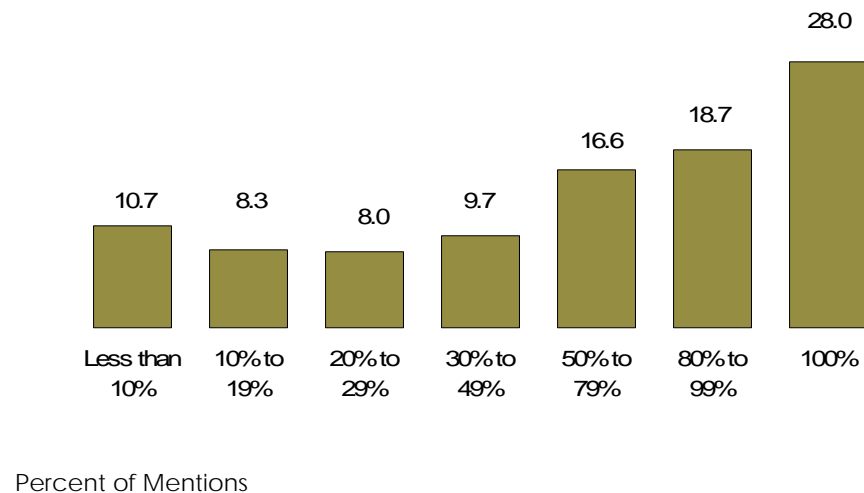
ABR Research, Inc. (May 2006)

Question 13b: If you retail your own plants, how much of your production is directed to your own retail outlet?

ANALYSIS

Of those that retail plants, 62% of their production is directed to their own retail. More than one-quarter (28%) produce only for their exclusive use.

Average directed to own retail
Mean = 61.9%



2006 GPN SOI Survey
(Excludes retail)

Q13b.

	Total				Gross Sales			Total Growing Area				
	Respondents	All - exclude retail	Wholesale only	Wholesale/ retail	Less than \$50,000	\$100,000 to \$999,999	\$1 to \$4.9 Million	\$5 Million or more	Less than 50,000 ft	50,000 to 99,999 ft	100,000 to 499,999 ft	500,000 ft or more
Average production to own retail Mean	48.8%	48.8%	0	48.8%	59.9%	50.6%	37.8%	16.8%	59.4%	59.4%	33.1%	28.3%