

Question 24: What is the most important issue you expect to face in the next 12 months?

Verbatim Response

Access to labor resources
 Adequate inventory
 Adequate migrant labor being available.
 Bar coding for customers / energy costs / health care costs / immigration issues
 Being able to get the work done with the body I have.
 Being able to raise prices enough to be profitable.
 Being able to raise prices to keep up with the increasing cost of energy.
 Being the first of the season, money
 Bird flu
 Branching off to a new business- manufacturing of a garden product
 Building a customer base
 Building and equipment improvement, and energy crunches.
 Competition and gas prices
 Competition from foreign markets
 Competition from offshore production
 Competition from the big boxes.
 Competition selling at below cost - dumping
 Continuing to attract customers
 Consumer interest in our products.
 Continued High costs of shipping
 Continuing downward price pressure
 Controlling cost
 Cost of developing new structures
 Cost of energy (3)
 Cost of freight increase
 Cost of fuel and fuel related products
 Cost of growing
 Cost of heat and the shrinking of the independent garden center market.
 Cost of inputs
 Costs
 Costs of energy and labor
 Costs, energy and product
 Covering energy costs and returning a profit.
 Currency exchange flux.
 Cutting production cost to get profit margin back to normal
 Deciding to expand or not, and whether hiring help is worth the hassle.
 Decreased margins
 Developing Company management to sustain the growth plans for the Company
 Direct material costs
 Do we go to pay by scan; do energy pricing continue to rise
 Drought
 Energy and labor cost increases
 Energy and labor costs
 Energy and taxes
 Energy and transportation cost also effects of "branding" in marketing area
 Energy / energy cost (69)
 Energy, drought and labor costs
 Energy, immigration policies, transportation costs, customer consolidations
 Energy/plastic price increases
 Expanding markets
 Expansion and energy costs
 Expansion, rising costs of everything

Question 24: continued

Verbatim Response

Finding a working model for the continued operation of the greenhouses
 Finding new customers
 Finding reliable employees and expansion of business
 Freight cost increases ; Labor issues - it's a tie
 Fuel costs (22)
 Funding
 Getting cost increases to cover rising expenses
 Good labor
 Growing in sales in the US
 Having access to labor, stable energy pricing and stable distribution costs
 Heating costs (5)
 Heating Costs and Health Insurance Costs
 Heating/Transportation (Energy) Cost
 Higher Labor and higher energy costs with less demand
 Hiring qualified and dependable staff
 How much to expand
 How rising energy costs not only affect us but our customers and their purchase decisions
 How to deal with expansion
 How to expand, how to automat
 Hurricane survival after past 2 seasons 3 hurricanes my small nursery/plants are tore up
 Hurricane/ immigration
 I really want/need to expand if I am going to continue and cash flow is always an issue
 If the customer will pay a higher price since the cost of all supplies went up
 Immigration/Immigration reform (8)
 Improving margin
 Increase competition
 Increase in energy.
 Increase in gross sales
 Increased costs
 Increased costs in plastics and fuel
 Increased costs of doing business due to government regulations, labor and health issues, and high
 Increased costs of production without the ability to increase prices
 Increasing health insurance rates
 Increasing interest in home gardening, vegetable gardening and food preservation.
 Industry wise increase prices for containers and gas-how this affects our pricing structure. locally
 Insurance costs
 Internal quality controls to reduce customer complaints and credits.
 Just breaking even
 Keeping production costs down, utilizing our facility to it's fullest capacity
 Keeping sales up during non peak season.
 Keeping up with demand
 Knowledgeable staff
 Labor / labor availability (24)
 Labor / Immigration Issues
 Labor and ALL forms of energy price spikes
 Labor and do we add space and what kind of space, when we already are short handed
 Labor and energy
 Labor and energy costs
 Labor and immigration
 Labor and Immigration Reform
 Labor cost (4)

Question 24: continued

Verbatim Response

Labor issues on immigration status of workers
Local development
Lose of extension support
Lowering the cost of greenhouse heating by switching to biomass fuels.
Maintaining a series of price increases as the energy and fuel costs continue to rise.
Maintaining profitability vs. rising energy and input costs
Making a profit
Managing energy and maintaining profitability. Energy impacts all - all inputs.
Marketing, cost of expansion
Medical insurance, labor
Over supply in the market that depresses wholesale prices of liner materials.
Paying off creditors
Petroleum-base product price increases.
Product transportation
Profit margin (2)
Property tax
Putting up with a disconnected boss
Rebuilding nursery after previous hurricanes in 2004 and 2005
Recovering capital lost by recent expansion.
Recovering from hurricanes
Regulations and energy including cost associated with supply costs
Retail sales help
Rising cost of supplies (2)
Rising costs and making sure prices keep up with the rising costs.
Rising costs for energy and all the in and outs to what we grow.
Rising costs of materials due to energy costs
Sales expansion, re allocation of geographical shipping lanes.
Shipping costs (2)
Shrinking customer base
Shrinking demand at retail
Shrinking profit margins
Skyrocketing costs of production.
Staying profitable
Surviving energy and supply costs / labor issues
Taxes (2)
The illegal immigrant legislation. we could loose a large part of our workforce or at the very least
The rising cost of health care benefits makes it difficult to bring in quality full time staff.
Time to get it all done
To create more sales
Upgrading capital expenses, e.g. fans, ventilation, heaters, etc.
Variable costs due to energy increases
Weather (4)
Where to market our plants for the highest return, to once again enjoy growing plants.
Whether business will continue or fold.
Whether to expand to meet demand

Question 25: What is the most important issue you expect to face five years from now?

Verbatim Response

Adapt to the changes that all the above will bring to our company
 Again labor and fuel costs
 Aging of the population and changing demographics
 Aging/retirement of long-term employees
 Alternative energy
 Caring for the first generation in our second generation family business, and the transfer of assets
 Competition from off shore
 Construction costs and fuel pricing
 Consumer reluctance to pay what is necessary to maintain margins due to increased costs
 Continued decline in the amount of growers and the use of pot plants.
 Cost controls
 Cost increases in all economic areas resulting from increased oil prices, which will reduce customer
 Cost of inputs related to labor and fuel.
 Cost of labor, clean water act
 Cost of natural Gas
 Do we sell the business and get out
 Energy / energy costs (22)
 Energy, loss of customers to big box op's
 Energy/ labor
 Energy/trucking cost
 EPA Regs, pesticide & water usage
 Escalating fuel costs
 Expanding market penetration area
 Expansion
 Expenses
 Filling a market niche
 Finances
 Finding profitable items to sell in light of energy costs
 Flexibility and the ability to adapt to quick changes
 Foreign competition
 Fuel / fuel costs (4)
 Funding
 Gaining new customers and maintaining old ones.
 Global Competition with low cost inputs
 Global warming and that lack of addressing this issue in DC
 Government new tax ideas -- especially inheritance tax structure
 Having customers who are still in business - we sell to IGC's
 Having space for growth
 Health Care / Insurance (2)
 How much to expand
 How to afford retirement and health care
 How to take my business to the next level of marketing
 How will our customer base change over the next 5 years due to baby boomers getting older and younger
 Hurricanes
 I Hope to be retired five years from now
 Increase in gross sales and be able to hire an employee
 Increased costs and pest control
 Increasing business
 Industry wide increase in production while consumer production decreases
 Insect control
 Interest in the industry from students who see most labor outsourced to illegals

Question 25: continued

Verbatim Response

Insect control
Interest in the industry from students who see most labor outsourced to illegals
international protection of intellectual property
Keeping the customers interested.
Keeping up with technology
Labor / labor costs (19)
Labor shortages (2)
Land cost to expand (2)
Land values no room to expand. Housing cost for our labor
Low cost competition from the Southern US and Mexico
Maintaining growth equal to the level of box store expansion.
Making money and having a life.
Manage the energy needed for the greenhouses.
Managing growth
Marketing, input costs
May retire before 5 years from now
Mechanization, distribution, and demands for perfect product quality
Minimizing our use of energy, and oil based inputs
More pressure from Walmart, Home Depot
New management at the school and district level.
Outcome of amnesty to foreign workers, water, energy
Oversees competition
Pass on the business to children
Payoff a loan
People resources / energy
Pricing problems
Profitability and the ability to get labor
Putting a new face on our current business
Reduced demand for floriculture crops as customers get older
Regulatory changes for plant movement
Relaxation of Q37 and the importation of finished plants from Mexico, Central/South America & Europe
Retirement (3)
Rising energy costs (5)
Shareholder whims
Staying profitable
Supplying enough finished product to meet the demands
The viability of the industry in terms of growers receiving a reasonable return on investment
Tighter enforcement of runoff laws and emission controls in greenhouses
Traditional florists going the way of the corner bakery, more and more are closing shop
Turning the farm, lab, sales over to the next generation
Unavailability of chemicals to control pests/disease
Updating equipment and facilities
Walmart and my age
Water and energy costs
Water and losing customers to urban sprawl
Water regulations and labor
We hope growing pains - needing more space to grow more product
Working on lower margins

Question 26: How do you feel about the industry's future over the next five years?

Verbatim Response

A lot of business changes more greenhouses closing or partnering with larger growers
 Beat out the box stores
 Bright
 Bright for efficient and innovative operators
 Businesses are going to have to be lean and mean. Must demand reasonable compensation for high quality
 Cautious (2)
 Confident
 Considering the changing demographics, I see little or no growth in next five years
 Could be tight
 Declining
 Depends on fuel costs
 Depends on fuel Prices ,,We are thinking of going over to corn fired furnaces
 Difficult (2)
 Excellent
 Fair (4)
 Foreign competition getting stronger, harder to compete with their lower pricing of product
 Future is still good. Business will be strong. Need to find a way to meet changing demographics.
 Getting to close to being a money machine. Plants should be cheap but anymore what
 Good (15)
 Great (2)
 I am not feeling really strong about the industries future. Having been an independent retailer for I believe any company that is too highly leverage will struggle and likely go under.
 I believe that it will become stronger. We need to have better standards & communication.
 I feel confident (3)
 I feel good, but there will be dramatic changes that will have to be addressed quickly via research
 I plan to retire but I feel good about the nursery industry.
 I see the focus changing from do-it- yourself to do-it-for-me making it mandatory for retailers to o
 I still feel it is good. The green industry has had years of glum prospects and been able to bounce
 I think it will be survival of the fittest. I think over all sales will increase but quality of pro
 I think it will contract as the rest of Agriculture has.
 I think the face of the industry is changing & the future will be very positive for those that chang
 I think you're right on...we need to quit promoting the "newest" items and concentrate on promoting
 If this project succeeds, we will have a promising future.
 In light of us reaching peak oil soon - I have my reservations, albeit vis a vis all industry!!!
 In our area it will continue to get better. Housing is building and every one wants a nice looking y
 Increasing prices of energy and supplies vs. decreasing prices of overseas product - orchids
 It depends on the economy!!!!!!!!!!!!
 It is in need of help.
 It seems to be stable but we need to keep evolving to stay alive
 It will be a tough 5 years with consolidation and small operations being a thing of the past.
 It will continue - can't be getting bigger each year without changes.
 It will grow slowly
 It will keep changing trying to be ready
 It's going to be rough. Everyone needs to work on efficiency to stay in the game.
 lots of competition from over-seas growers
 Mixed
 Neutral - not enthusiastic
 Not as bright as the recent past.
 Not great
 Only getting better
 Optimistic (6)

Question 26: continued

Verbatim Response

Optimistic (6)

Our consumers are changing and if we don't change with them the future isn't too bright.

Our industry, like all, are cyclical in nature. I feel that despite all of the obstacles we now face

Over the next five years I feel there is growth that will be realized, however as certain markets ma

Overall, I feel the industry should do well.

Pessimistic (2)

Poor

Positive (9)

Positive, but we have to work together to wring out the highest efficiencies - shipping, container s

Positive, however unsure about younger generations interest in plants and gardening.

Prepared to adapt to change

Promising

Rocky. Those who can see the change and embrace it, will survive and flourish. Those who don't, won't

Shaky, consolidation big getting bigger, medium and small growers going away if they supply box

Should be stable

Should do well

Steady growth

Strong

Strong for landscape products, weak for foliage

The big get bigger, the little guys like us have to compete with limited products

The big stores are destroying our market by not looking properly after the product

The challenges may be our greatest ever. The future is bright as long as the players in this industry improve product quality and increase pr

The industry is changing very fast. I think if you are changing your business and can adjust to these

The little guy like myself won't be able to compete.

The strong will survive. The greedy will survive. The small business that doesn't have the resour

Too many growers, too few customers (big box) too low margins

Tougher competition

Uncertain, there are a lot of people in the business getting really big really fast.

Uncertain in my local area

Upbeat

Very good (3)

Very positive (3)

Very stable and no big rises in the market

We need to come up with more efficient ways to heat the greenhouses in the northern climates.

We need to invest more time & money to ensure we have a future

We need to keep raising prices to meet our costs

We will lose 20% of our fellow growers by 2011. I hope I'm savvy enough to not be one of them.

Will continue to grow with increase in population

Worried (2)

You never know