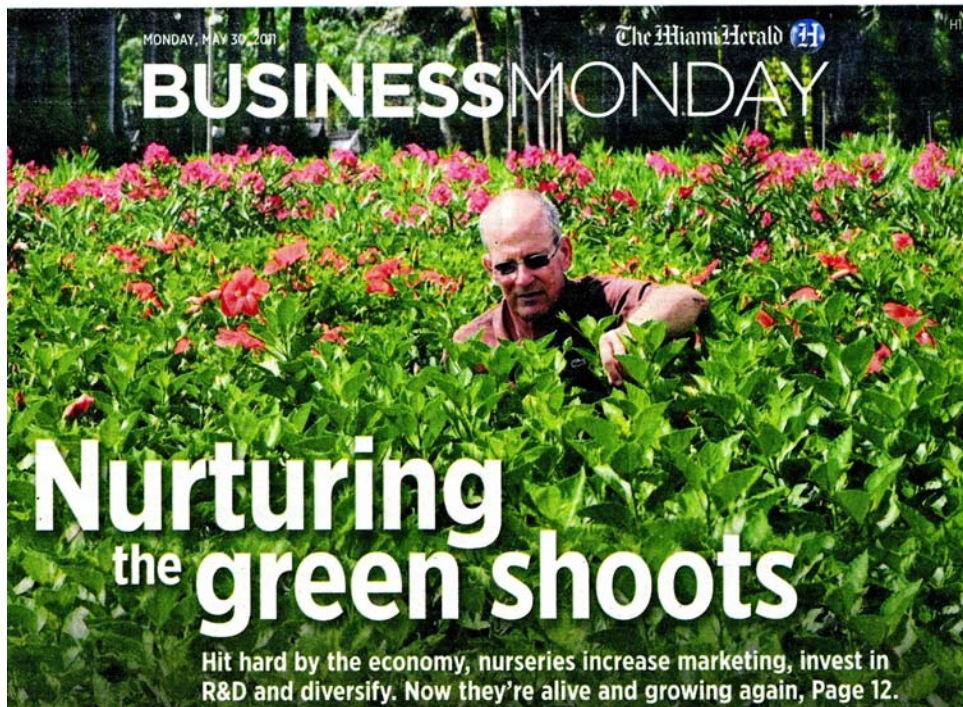


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South Florida's nursery industry: Alive and growing

In this economy, South Florida nurseries have had to get creative to stay alive. They are investing in R&D, ramping up marketing efforts and offering more than plants.

By: Christina Veiga

It takes more than pretty plants to stay in the nursery business.

Today's nursery farmers spend less time getting their hands dirty in the field, and more time thinking about marketing, science and consumer behavior.

At **Flamingo Road Nursery** in Davie, that means luring in customers with novelty items like double-yolk eggs at an on-site farmer's market.

At The Jungle Nursery in Homestead, that means taking a high-tech approach to growing, and getting creative to develop a one-of-a-kind planting pot.

At Costa Farms, based in South Miami-Dade County, that means more research to develop better plants, and marketing to keep consumers interested.

It's hard to imagine South Florida without nurseries. There are more than 1,500 nurseries in Miami-Dade alone. Some of the largest nurseries, such as Manuel Diaz Farms in South Dade, cultivate tens of thousands of acres and have millions in sales. Small nurseries may cultivate acreage in the -teens, with sales of \$100,000 or less.

David Peyton, president of First National Bank of South Florida, based in South Miami-Dade, said the industry is the bank's largest customer.

"I can't minimize the value of the nursery business. It's really been good for the bank," he said.

But the industry hasn't been immune to the slumping economy.

In 2005, total industry output in Florida was \$10.39 billion, according to a study by the food and resource economic department of the University of Florida. The industry employed about 11,700 in Miami-Dade and about 1,100 in Broward, according to the same study.



DANIEL BOCK/FOR THE MIAMI HERALD

GROWING STRONGER: Jose "Joche" Smith, chief executive at Costa Farms in South Miami-Dade County, tours the shade house containing thousands of indoor plants.



ANDREW ULLOZA/FOR THE MIAMI HERALD

LOTS TO DO: The Farmers Market at the Flamingo Road Nursery in Davie entices buyers to pick up some produce, too.

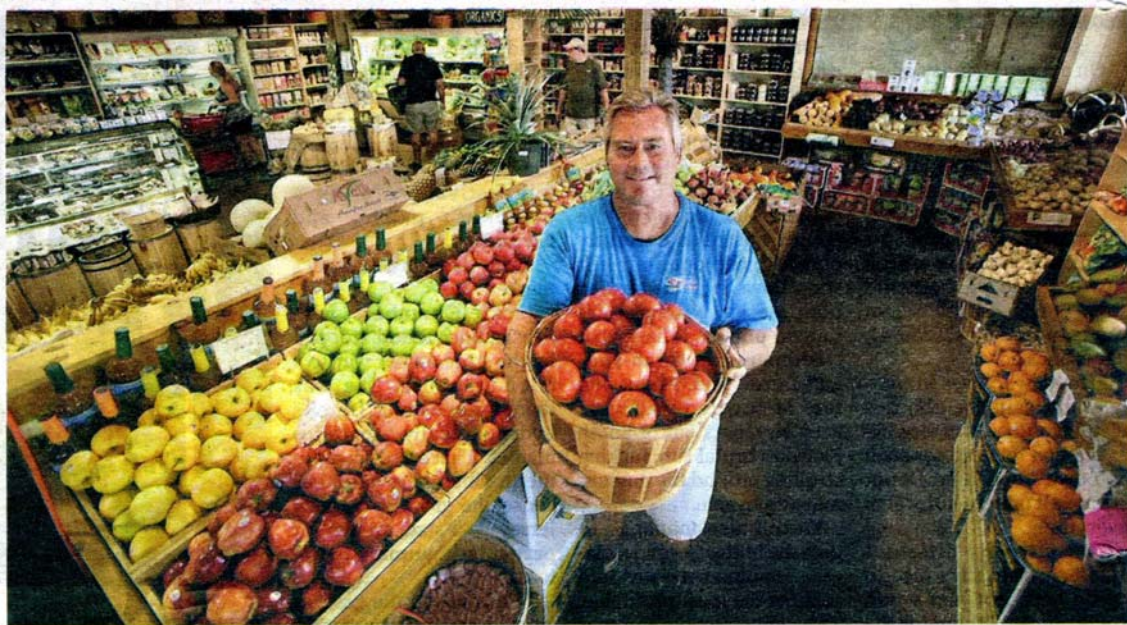
By 2008, industry output dropped to \$8.9 billion, according to another study by the department. In 2008, the industry employed less than half of the workforce it did before the recession: 5,000 in Miami-Dade and only 300 in Broward, according to the 2008 study, the most recent available.

Alan Hodges, an economist and scientist who helped author the studies, said the numbers aren't totally comparable because the 2005 figures were self-reported.



ANDREW ULOZA/FOR THE MIAMI HERALD

PERSONAL ATTENTION: Jim Dezell, owner of the Flamingo Road Nursery, helps customer Jenifer Maitre of Fort Lauderdale choose flowers for her home.



ANDREW ULOZA/FOR THE MIAMI HERALD

PLANTS AND PRODUCE, TOO: Jim Dezell, owner of the Flamingo Road Nursery, shows off produce at his farmer's market in Davie

Even so, in 2010, the U.S. government's occupational statistics show industry employment had not crept up much — it was just 5,600 in the two counties.

“Right now I would have to say [the industry] is kind of in a holding pattern. Stable to declining,” Hodges said.



DANIEL BOCK/FOR THE MIAMI HERALD

FOCUSING ON NICHEs: Workers prepare flowering plants for distribution at Costa Farms in South Miami-Dade County.

Still, the economy has had a dramatic impact on nurseries in South Florida. Hodges and others say the businesses that have suffered the most were those that focused on trees and other large landscape material.

When home building came to a halt, so did demand for these big-ticket items.

“Until the housing market corrects itself...I think we'll continue to see very weak demand,” Hodges said.

Here's a look at what a few growers are doing to keep the business alive.

STAYING ON TOP

Bigger is better. Less is more. Though seemingly contradictory, both schools of thought have helped Costa Farms continue to stay on top of the nursery business despite the economy.

With 14,000 acres in cultivation, the third-generation, family-run business is one of the biggest foliage growers in world, it says. Costa Farms supplies indoor, bedding and blooming tropical plants to big box stores such as Wal-Mart, Home Depot and Lowe's.

Its size helps Costa Farms produce more for less than other local nurseries. The chain stores like that, because they have to deal with less suppliers, said CEO Jose "Joche" Smith.



ANDREW ULOZA/FOR THE MIAMI HERALD

MAKING A DAY OF IT: Antonio Sherman of Tony's Smack Happy Rib & Chicken prepares a meal for Scott Taylor and his son Scott Taylor Jr. at Flamingo Road Nursery.

"Those guys have chosen to work with fewer and fewer vendors," he said. "Over the years, the folks who manage the best have gotten more business."

But it isn't easy. When large brands control most of your business, there's no room for cost fluctuations because prices are usually locked in. So factors like rising fuel costs or new laws, such as the recently proposed E-Verify system, can mean trouble. The company also has to invest heavily in research and development to create new, better products and conform to the retailers' standards for packaging and labeling.

"It used to be we were just farmers. We grew plants," Smith said.



PETER ANDREW BOSCH/MIAMI HERALD STAFF
NEW PRODUCTS TO ENTICE BUYERS: Sandy Stein, owner of The Jungle Nursery, has created a garden pot that features inspirational messages.

Another factor that has helped Costa: the type of plants it grows. Nurseries that focused on trees and landscape material made money when home building was booming. But when the bubble burst, demand disappeared.

Unlike those nurseries, Costa grows items that most consumers don't have to think twice about buying: a pretty flower in a small pot, or some perennials to spruce up the outside of a home without spending a lot of money.

"Our ticket is so small...typically, it's an impulse item," Smith said.

The niche production has worked. In business for 50 years, Costa Farms has acquired additional cultivation land at a rate of about one nursery per year. It has grown substantially every year since 1993, with annual sales in the hundreds of millions.



PETER ANDREW BOSCH/MIAMI HERALD STAFF

TROPICAL OFFERINGS: Workers in a shade house at The Jungle Nursery in Homestead repot ornamentals, such as colorful crotons.

REINVENTING THE NURSERY

The economy hasn't just changed nursery owners' strategies; it has changed their landscape as well.

In 2007, owner Sandy Stein was in the cold-tolerant palm tree business. They grew so plentiful and densely at The Jungle Nursery in Homestead that you couldn't see through them.

Now, the 25-acre nursery he runs with his wife is wide open. There's not a palm tree in sight — except sago palms growing from little bulbs.

“We're having to recreate ourselves endlessly,” Stein said.

When things were good, the nursery supplied places like California, Nevada and Arizona with palm trees that resisted the cold. But when a prolonged freeze with temperatures in the teens proved too chilly even for the cold-tolerant tropical trees, demand dried up.

“There was just a very bad taste in the consumers' mouths because of this. And so my prices plummeted just trying to get rid of material,” Stein said.

By 2009, sales were less than half of Stein's top performance just two years earlier. So he borrowed some money, and started anew. Whereas he once considered himself just a farmer, now Stein's business has taken a turn toward science and another toward marketing in two separate endeavors.

The palm trees are out. In their place are the kind of plants used for indoor decorating and colorful blooming tropicals. And to more cheaply produce the best quality plants, Stein spent about \$60,000 to build a high-tech mist house.

From the outside, it looks just like a green house. But inside, misters come on without warning, triggered by electronic monitors that keep the temperature, humidity and water levels at just the right levels for growing new plants from cuttings. It's a new and highly complicated venture for Stein. But it's also "exciting for me," he said.

From a tray with rows of crotons — a plant with wide leaves in red, yellow and green — Stein pulled a small cutting and examined the roots.

"It's all white, beautiful, healthy," he said.

In another new endeavor, Stein has patented a unique pot he hopes to sell in grocery stores. The pots feature inspirational, funny or congratulatory messages on reversible bands. In developing the new product, Stein has had to think about things a farmer never would: how to package and present the item, color schemes and prototypes.

"That's basically what it's turning into. I have to help them sell my product. I have to put tags on the pots. It has to look pretty," he said.

OFFERING CUSTOMERS MORE THAN PLANTS

Owner Jim Dezell doesn't just wait for customers to come to Flamingo Road Nursery in Davie. He gives them reasons to come.

Lots of reasons.

Sure, there are all the standard plants and flowers usually found at nurseries. But the 10-acre mega garden center, just south of Interstate-595, also features a farmer's market and deli, a gift shop with thousands of items, free gardening classes and festivals throughout the year. They were all planned when the center opened in 2005, but weren't added until a few years later.

"We've had to get creative [about] offering more than just plants," Dezell said.

It's working.

On a recent Sunday afternoon, Olga Stroud walked through the center with a bag of groceries from the market. Her 9-year-old daughter, Kathryn, slurped on a milkshake, also from the market. They pushed a small cart holding a pink flower, seed packets and some pots because Kathryn wants to take up gardening, her mom said.

Stroud, who lives in Cooper City, said she chooses Flamingo Road Nursery over big-box retail stores such as Lowe's or Home Depot because it offers a little bit of everything.

"It's a totally different vibe," she said. "It's nice to come here not just when you want something for the house, but the farmer's market is excellent as well."

On weekends, cars park on the grass and in the neighboring church lot when the nursery's own parking lot is full. And once the customers are there, Dezell works to keep them.

Even the layout of the center has been carefully planned: the open-air gift shop flows into the shaded plants area, with pre-arranged pots of foliage that customers can "grab-and-

go,” Dezell said. About 400 feet of covered walkways keep shoppers out of South Florida’s brutal sun, making strolling around the nursery more enjoyable.

Dezell also managed to turn the hottest — and slowest — summer months into some of the most profitable. The center invites summer campers to visit the on-site butterfly garden, and then sends the children home with coupons for their parents. October, once the worst month for the business, has turned into one of the most profitable with a fall festival featuring a pumpkin patch and hayrides.

Then there’s the farmer’s market.

Jackie Chambers, who lives in Boca Raton, stopped by the store on her way to a friend’s house. She was there for one thing: Dezell’s hydroponically-grown tomatoes. That’s a big compliment, Chambers said, because she grew up in New Jersey — a state known for particularly yummy tomatoes.

“The ones in the grocery store don’t taste so good,” said Chambers.