

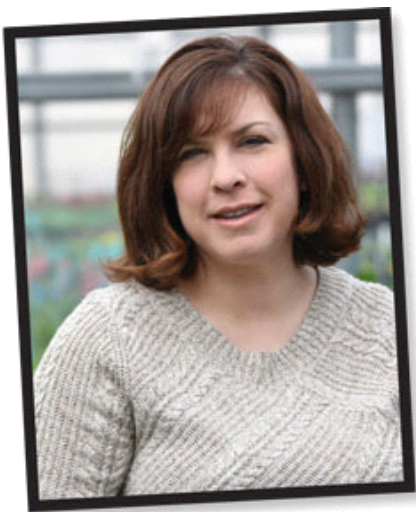
GROWERTALKS

Inside Look

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Foreshadowing & Hope

Jennifer Zurko



JENNIFER ZURKO

I feel like we've been talking about pricing forever. I wrote a story about it for the cover of the June 2019 issue, which now seems like 100 years ago. And those were such idyllic times ... (sigh) ...

It was called "The Point of Raising Prices" and my goal was to make the case for growers and retailers to be more aggressive when it came to pricing their products. The idea for the story came from a handful of broker sales reps who were lamenting that their customers weren't asking for enough. They felt their customers weren't getting their fair share and should have been increasing their margins, so I spoke with four operations who'd been consistently including price increases for a few years.

And I compared our industry to others who'd been raising their prices almost every year. I mean, if everyone else can do it, why couldn't we?

Turns out my June 2019 story served as a bit of foreshadowing because we're talking about pricing again. This time, the issue isn't whether to raise prices—you've all done that and more. It's the reason why you were pretty much forced to and how you did it.

As with the first article, I spoke again with Bill Swanekamp (Kube-Pak) and Andy Ambrosio (Wenke/Sunbelt)—two smart guys who purposely surround themselves with data and statistics. Back then, the businesses that were increasing their prices were doing it at 2% to 3%; this year, almost everyone did 10% to 15% and found that it still wasn't enough to offset the rising costs of inputs and fuel.

As a bit of a spoiler, two things we know for sure will happen going into 2023: many wholesalers will continue to include fuel surcharges with orders, and growers and retailers will increase the prices of their products yet again.

We saw some of those possible (new) products during the California Spring Trials back in late March. Of course, we reported the highlights from the road that week in our *Acres of Buzz* newsletter and on our YouTube channel, but that wasn't half of what we saw. Starting this month, we'll include extended coverage from CAST with the newest annuals.

With all of the innovative genetics coming from the breeding companies and reports of decent sales numbers coming from around the industry (despite the dismal spring), there is reason for optimism. In my cover story, Raker-

Roberta's Kelly Staats said that the demand is still there and she's encouraged by the new gardeners that were introduced to plants during the pandemic and seem willing to continue to enjoy them.

"It will teach us all the value of what we do and that the consumer is willing to pay for what we do," she said.

Andy concurred. "We in the industry are just trying to make sure that we make a quality product that the consumers want, when they want it."

Here's hoping that this is positive foreshadowing for what the future will bring, regardless of the obstacles the economy or Mother Nature put in our way.

P.S. I want to say a special thank you to Bill Swanekamp for his "years of service" writing a column for us and congratulate him on his retirement. It was Vic Ball who originally asked him if he could write for us and Bill has been impressing us and schooling us with his knowledge ever since. I feel so grateful and lucky that I've got to work with Bill for the last 13 years, and that during that time we became good friends. I always enjoyed our conversations that started out as a quick call to ask a question and ended about 45 minutes later.

Bill—I hope we can have a nice chat over a glass or two from a good bottle of red very soon. **GT**