

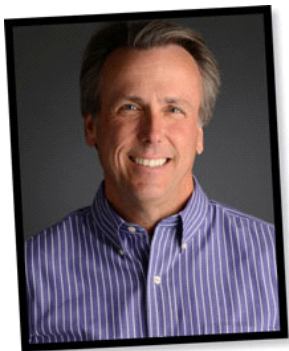
GROWERTALKS

Acres & Acres

1/1/2024

What's in Store for '24?

Chris Beytes



CHRIS BEYTES

I hate crystal ball editorials. You know, where some know-it-all writer tells you what to expect in the coming year and what to do about it. My view is, if they knew, they'd be running a business, not writing about running a business.

But, alas, a trade magazine editor is expected to write such a column. We talk to more people than you. We have time to travel more than you. We supposedly have our ear to the ground and our finger on the pulse. So, reluctantly, I'll take a shot at it.*

One thought about '24 comes from former columnist and oft-quoted industry expert Abe VanWingerden of Metrolina Greenhouses. In a recent podcast, Abe called the last few seasons "The Three Little Bears," explaining, "In '20 and '21 we didn't have enough, in '22 we had too much, and in '23 it was just right. The post-COVID

consumer stayed, the weather was good (not great) and we saw great sales out of it. I feel good about where the consumer is in the livegoods space."

He noted that he wouldn't want to be selling grills or patio furniture, as folks have already stocked up on those and don't replace them every year. But plants? You buy them every season and he says the new consumers we gained during the pandemic still seem to want our products. So there's no reason the customer won't be out in force this spring looking for our stuff.

Another bit of seasonal intelligence I've heard comes from Fanny Laliberté, Director of Purchasing & Supply Chain for growing media supplier Bergér. In a webinar titled, "Adapting Management in a Changing Environment," which I hosted for her in December, Fanny explained the current state of demand forecasting in the manufacturing industry this way: "Inventories are high. Demand is unpredictable. Customers are cautious."

A key tip she gave for dealing with future supply chain uncertainties: Build and maintain strong relationships with your vendors. There's no better advice anyone can give to help you ensure a steady supply of what you need—from peat moss to petunia seed—than to be a consistent, loyal customer.

(Oh, as for current strain on the peat market due to poor harvest conditions? Fanny's job has been to source more "safety stock" and she's been tapping into global sources to make sure Bergér has enough to meet demand.)

As I was trying to come up with some other indicator that might help you navigate 2024, fellow editor Bill Calkins invited me to be the guest on the 100th episode of his Tech on Demand podcast. Quite the honor! He forwarded me a list of discussion topics so I wouldn't be caught off guard and one of them was, "Tell me a story about horticulture

in 2050.” Hmmm ...

As I thought about it, I decided that horticulture 26 years from now isn't going to be much different than it is today. We'll have some new technologies that make us more efficient. There will be more plants sold online. Retailers will emerge, grow or disappear. Operating costs will continue to climb. And there'll be a new batch of politicians creating new regulations to meet. Oh, and the new music will stink compared to classic rock. But horticulture will remain simple: We will grow great flowers and plants, and consumers will buy them.

How do I know this? By looking back in time 26 years to 1998. And 26 years before that to 1972. And so on and so on. How did horticulture change in those 26-year increments? Incrementally. In each, we added technology to make our businesses more efficient. We saw new customers emerge and others vanish. We saw costs go up. But growing plants has always required a talented human with a feel for the crop. And finding talented humans who want to work in a hot greenhouse isn't easy—never has been.

And as for selling plants? The one constant, regardless of the year, remains the weather. Good spring weather equals a successful spring, even during a recession or a pandemic.

I'll leave you with one more bit of rugged, good advice from Abe: Stick to your plan.

“We spend six months putting our plan together for the next season and in six minutes we can torpedo it. I don't know why we all do that, but we think we're smarter in the moment than we are with historical data.” **GT**