What’s Been Cancelled? Everything—Except Spring!



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GrowerTalks’ **Acres Online**

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COMING UP THIS WEEK:

Spring Trials: Cancelled
But we'll report on them anyway!
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How will horticulture fare?
- Rockledge Gardens on IGCs
- Costa Farms on sales so far
- Metrolina's strategy, staffing
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What’s Been Cancelled? Everything—Except Spring!





That is how the horticulture industry looks as of March 17, 2020. It's not a matter of which spring events are cancelled, it's which ones have not been cancelled. And I can't find one.



First and foremost, the 2020 California Spring Trials will not take place—at least not in the traditional way. It took about a week for all the Trial stops to come to that decision, but once they started, it was like dominoes, and for a variety of reasons.

Asian companies and travelers were the first to cancel, due to travel restrictions from that region. Israeli and European companies soon followed suit. At the same time, California counties began strongly recommending limiting the size of gatherings. Then customer groups (brokerage companies) began dropping out.

If customers aren't coming, why even throw the party? It all snowballed, and of course, with the global news as of today, it makes complete sense to cancel it. A week ago, things weren't quite so clear. If I heard any phrase repeated today, it was "It's a fluid situation."



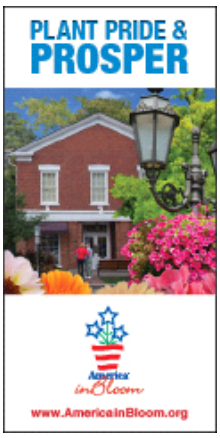
Acres of buZZ! and the Virtual Bobbleheads



Unlike toilet paper, there will NOT be a shortage of Spring Trials coverage. Those California trials still have plant material, so *GrowerTalks/Green Profit* is working hard to get every participant to capture photos and videos of their introductions so that we can still share them with you, and hopefully, on the same six-day *Acres of buZZ!* newsletter schedule we would have done had we flown to California (roughly March 30 to April 3).

Granted, it won't be like being there (no late-night writing sessions fueled by Spencer Makenzie fish tacos and California wine), but Ellen, Jen, Bill and I will do our best to get the details for you.

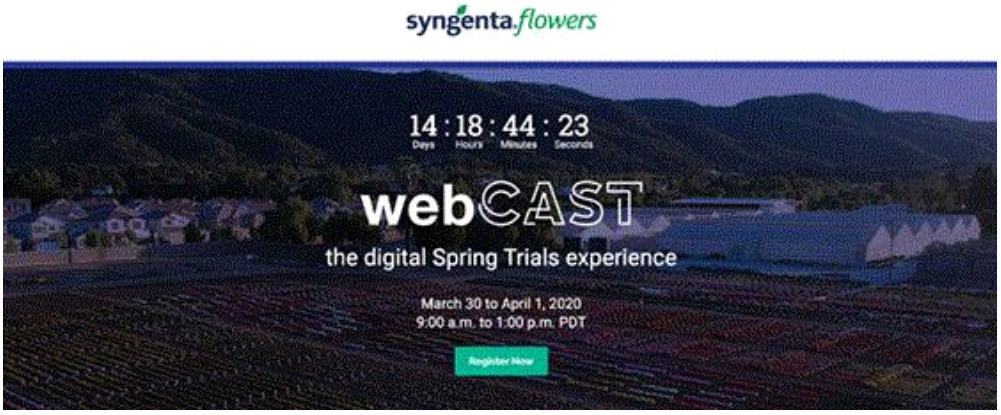






Syngenta's "WebCAST"

Some breeding companies are working on similar plans, but just for their own products. For instance, Syngenta Flowers is planning an interactive live-streaming event via Facebook to bring you "full digital coverage of our newest genetic innovations, technical trialing results and impactful marketing programs." They've got 10 of their experts lined up to present and you'll be able to ask questions, too.



It's scheduled for three consecutive days: Monday, March 30, Tuesday, March 31 and Wednesday, April 1, from 9:00 a.m. to 1:00 p.m. PDT each day.

You can register HERE.



How will horticulture fare?

Better than restaurants and resorts and cruise lines and airlines, that's for certain. How would you like if the government was telling people not to use your product or forcing you to close your doors?

The big question on everyone's mind, of course, is will COVID-19 impact our spring plant sales? The best I can do is ask growers and retailers in southern regions where spring is underway. Of

course, it’s still very early, and what's happened so far may not reflect on next week or the week after. But it’s better than nothing!

First up, Theresa Riley, co-owner of Rockledge Gardens in Rockledge, Florida. Theresa and her husband, Kevin, are two of my oldest industry friends and one of the first customers of my former greenhouse, Indian River Ornamentals.

Theresa prefaced her remarks with, “It’s a fluid situation. It changes hourly.” But that said, they had a very good weekend March 14-16. “Not matching last year, but pretty doggone close. And Sunday was pretty good,” she added.

The Riley’s biggest concern? “We so want to do the right thing,” Theresa said. “But sometimes it’s not exactly clear what that is … especially with the [farmers] market and events.”

While the farmers market remains open, she's provided vendors sample containers with tops and instructed them to use those, and to wear gloves. They’ve postponed any events they had on the schedule. They host weddings, too, and those have been postponed, as well.



Theresa and Kevin (on stage, center and right) at one of the many events they host at their Florida garden center.

As for the garden center, they’ve created a disinfecting station where customers can clean wagon handles and they’ve put plenty of hand sanitizer at the cash registers. They’ll plan to stay open and in business until someone says they can’t.

“We’ll provide beautiful flowers in an awesome environment, even if people just want to come and walk around. We’ve got five acres … people can spread out as much as they want to and wander and soak up the beauty and the fresh air.”

Keeping things light, I asked if she’d seen strong sales of aloe plants (for homemade hand sanitizer).

“Yeah! Oh, yeah. They have been. I honestly don’t know what our inventory is right now, whether we’ve sold out or not.”

Speaking of sanitizer, Theresa also offered this light-hearted quote: “I scored two canisters of disinfecting wipes this morning and I thought ‘Wow, that’s awesome!’” (Hint: CVS keeps them in the stockroom; you have to ask for them.)



Costa Farms on the situation

Jose “Joche” Smith, co-owner of Costa Farms in Homestead, Florida, also prefaced his comments with, “Things keep changing, every few hours things are changing.” Meaning by the time you read this, things could be much different. But currently:

“On our end, everybody has been business as usual,” he said. The only exception? “A couple of large supermarkets” that cancelled orders for the next few weeks. “Their demand is to the point where they won’t use up their distribution center capacity to move our product,” Joche told me.

“But with the big three—Walmart, Home Depot and Lowe’s—so far it’s been business as usual. We had a good weekend, a fairly good weather weekend … and so they’re all just business as usual until it’s not business as usual.”

I asked Joche about Costa’s supplies coming out of China and other Asian countries—hardgoods and plants. He said that’s beginning to normalize now.

“We had some delays—everything is running two to four weeks [late]—but very few things won’t make it here on time for us to manage.”

Finally, I didn’t want to ask Joche if he thought this could be good for business because that comes out sounding mercenary. But is horticulture in a good position to weather the crisis?

“I think that if people are still allowed to go to places where they can get plants, I don’t think this will be bad for us. I hate to even say that—it’s bad for everybody—but I mean as far as affecting sales, I think we can make out okay.”



Abe, on Metrolina’s sales and strategy

As busy as he is, Abe VanWingerden is always quick and thorough with a reply to any question I can dream up. His version of the “fluid situation” was: “It is a day-by-day thing, so I hate to predict at this point.”

He reports last weekend’s sales as strong. “Many reports of live goods being the second-highest COMP in many areas, behind the cleaning category,” he added.

Thus far, the only delays or cancellations have been with those grocery stores Joche mentioned that want to keep their distribution centers open for essential items. Abe sees it as temporary and “an impact, but it can be worked around.”

As for the long-term outlook of COVID-19’s impact on our industry, Abe, like Joche, is pretty bullish.

“If we stay on the current path (school closings, no large gatherings, etc.) we will benefit more than others. It would be a good year. The same goes if they shut all bars/restaurants/malls, but leave grocery/drug/mass market/home improvement open for essentials. Still good for us. If we

get to a more extreme phase (lockdown, shutting stores), of course, we have no real plan other than to treat it like a snowstorm: Hunker down and hold on as best we can."



Keeping staffed … and keeping staff healthy

Theresa, Joche and Abe all emphasized employee health as a key part of their COVID preparedness plans. All have worked very hard to inform and enforce sanitation rules, make sure employees stay home when ill and so forth.

Extra challenging is when kids aren't in school. What do parents do who have to work, but who can't leave small kids alone?

When North Carolina ordered all K-12 schools closed for at least two weeks, Metrolina quickly established guidelines and exemptions for the situation. For instance:

- Not docking employees for missing work for the next two weeks
- Offering workers the opportunity to work second or third shift instead of first
- Offering flexible shifts for their merchandisers (where allowed by the retailers)
- Offering work-at-home options where the job allows that

In addition, with hundreds of employees on one site, they've reduced meeting sizes, restricted group lunches to individual portions rather than buffet style, and cancelled all visits and tours. They've also bumped up the frequency and thoroughness of facility cleaning and sanitation. They've even changed their finger-scan time clock to an app.



When you're as big as Metrolina, you'd better have a good staffing plan and a good way to communicate it.

I also like how they led off the message:

"At Metrolina, we have always said that our team is like our family. And, like you, during these last few days, we've been even more focused on doing all the things we need to do to keep our families safe and healthy."



A great message from a garden center

We all hope that the retail garden center will be a place of peace, quiet—and plant purchases!—during the crisis. We are recession-proof; why not virus-proof?

To that end, me and my fellow retailer editors Ellen Wells and Jen Polanz have gotten literally dozens of notices from garden centers around the country aimed at letting customers know they're a good place to visit.

Here's one from one of my local IGCs, Wasco Nursery, by owner Matt Zerby. It's a good example of messaging you might consider:

Like you, we're monitoring the latest news about the Coronavirus (COVID-19). We continually monitor information from the Centers for Disease Control (CDC) and other government agencies to stay up to date on the COVID-19 situation.

At this time, we anticipate little interruption in providing service to our customers. Employees have been apprised of best-practices in preventing the spread of viruses, [and] hand sanitation stations have been located throughout the store. Our registers, credit card terminals, bathrooms, door handles and other commonly touched surfaces are disinfected several times throughout the day. We will make any decisions based on what is in the best interest of our employees and customers. We have encouraged our employees to [stay home] if they are not feeling well. Their health, as well as the health and safety of the community we serve, is always our number-one priority.

Our greenhouses and 10-acre, open-air garden center remain open to the public. Our crews are continuing their outdoor work of spring cleanups, landscaping and harvesting trees from our fields, and will soon begin planting trees for our residential clients. The sales yard is already starting to fill up with potted shrubs and the first trees from our fields should be arriving in the garden center any day.

Our Landscape Design team is working diligently and remain available to you for all of your spring/summer project needs.

Our delivery services remain available to you for nearly every product we sell.

With all of that said, due to the growing concern and spread of the coronavirus, Wasco Nursery is postponing all indoor classes and workshops scheduled for the month of March. Our classes are taught in an indoor room in close quarters, and as previously stated, our priority will always be the health and safety of class attendees, customers and staff, so we have taken this measure out of an abundance of caution for everyone involved.

Thank you for understanding, and please stay diligent in keeping healthy.



Seriously bad news from the Dutch auction

I spent this whole newsletter trying to find encouraging news for you, but I can't hide one big negative: Flower and plant sales are off at the Dutch auction Royal FloraHolland in a way never seen in the 100-plus years of the organization.



On their website, they wrote a blog piece, "Without emergency loans from government and banks, many companies will go bankrupt within a few weeks."

Steven van Schilfgaarde, Director General of the auction, stated, "The market situation is dramatic. Prices have been up to 50% below normal in the past two weeks. Last Friday [March 13], 20% of the offer was destroyed because there were no buyers for it. Expectations for the coming weeks are even worse."

Then, in a blog post dated March 16, they state that Monday's sales were even worse, with nearly 50% of the cut flowers and 30% of the plants brought to auction having to be dumped for lack of a buyer.

He goes on to say that with sales so far off, growers will not be able to make their winter energy payments. Some may not survive.

As an emergency measure, the auction is asking growers to temporarily supply fewer products in an effort to halt dumping and better match demand. Of course, that means growers will be dumping the flowers at the nursery instead.

I'm working on learning more from the Director General and my Dutch grower friends about the situation, which truly sounds dire.

You can read this and some other blog pieces HERE. (Where it reads "fall over" I suspect it should have translated to "collapse.")

Europe is closed?

To dig into the auction news, I emailed grower Eduard Ter Laak of Ter Laak Orchids. Eduard and his brothers sell most of their orchids direct rather than through the auction, and so I thought they were safe. Not so.

Replied Eduard, "Yes, we have a big problem over here. Clock or direct sales, we have no market

anymore. Most European countries are closed."

Yikes! I had no idea it was that bad. But if borders are closed and non-essential stores are closed, and so many European growers export all across Europe …

My colleague Ron van der Ploeg, editor of *FloraCulture International*, is bringing me a report from Europe, so stay tuned for that. If you're doing business in Europe, email me at beytes@growertalks.com and fill us all in on the situation you're facing.

Finally ...

Is there any good news out there? Yes, there's the opportunity to set up a "Grow your own TP" display:



See you next time,

Chris Beytes
Editor
GrowerTalks and *Green Profit*

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