

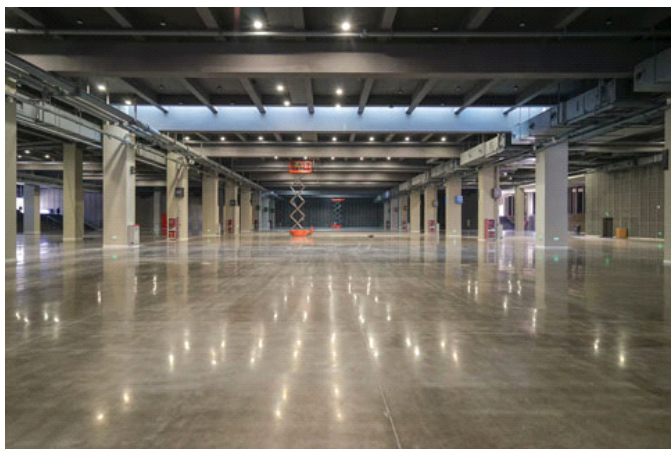
# GROWERTALKS

## Cover Story

3/1/2021

## Appreciation for Our Associations

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What would happen to our industry if all of our associations just went away?

No more Cultivate. No more MANTS. No more TPIE or Farwest. No more regional shows, retail tours or grower conferences. No representation for our industry on Capitol Hill, where legislators could pass laws without us getting a say. Would we be okay with it?

The truth is we'd miss them. Terribly. And nothing proved that more than 2020, when all of our favorite events were canceled or switched to a virtual platform. Which was fine and it worked fine. But as a relationship

-based, face-to-face type of industry, we need more than fine. It's what brings us so much pride—we actually like each other, even if we're direct competitors, and we need to see each other to do business, share our experiences and learn new things.

Right now, we're all waiting for a lot of things ... for the spring season, for a vaccine, for the coronavirus numbers to go down, to see if we'll indeed be able to attend live events this summer. Our associations are doing all of that while walking a precarious tightrope of whether to plan for what used to be normal and being prepared to pivot at the last minute.

But, many times, adversity brings some positives. Having to move their events that have been in person for decades to a digital format provided opportunities for associations to connect with their members in new ways and prove their value to the industry.

### Event dominos

You may have had a banner year in 2020, but our trade associations had quite a different experience. Along with restaurants, bars, hotels and airlines, trade shows and conferences came to a screeching halt.

Chris Vest, VP of Corporate Communications for the American Society of Association Executives, said they estimate 70% of their association members had to cancel in-person meetings and events over the past year. And the impact on associations' bottom lines will be felt for months, if not years, to come—especially on things like membership dues, sponsorships and advertising that are typically stable revenue sources.

Timing of when the pandemic hit meant that Cultivate'20 was the first major event to be affected. In late March, AmericanHort originally gave themselves a May deadline to make a decision on whether to have the event, but Ken Fisher, AmericanHort's President & CEO, said that by April they knew it wasn't possible.

"It was painful for a lot of reasons not to be able to do Cultivate—certainly, there's a financial hit," Ken explained. "But we have 15 hotel partners, we have restaurants up and down High Street in Columbus that partner with us. We have hundreds of exhibitors. We have educators, researchers and more than 10,000 members and attendees who come. Part of it is financial, part of it is organizational, but a lot of it is just the industry engagement we didn't get to have."

As the first event on the chopping block, Cultivate became the virtual show guinea pig. The staff had to transform the largest trade show in our industry into a completely online format, all while handling calls and requests for guidance from panicked members (more on that below). The show became Cultivate'20 Virtual and, according to AmericanHort, registration for the event was close to what they typically have in person, with over 700 attending the first day's keynote alone.

"Although Cultivate'20 Virtual wasn't perfect, we got some pats on the back for trying our best to keep Cultivate alive during the pandemic," said Ken. "What we found was that many attendees were our industry friends who annually join us in Columbus, but we also reached a new group of people who haven't been able to come to Cultivate—some international, some students and researchers—they all had the opportunity to experience our digital version of Cultivate. So there was a bit of a silver lining to it."

The next big show after Cultivate was Farwest, put on every year in August by the Oregon Association of Nurseries (OAN). But instead of trying to plan a digital version of Farwest in a short timeframe, they made the decision to cancel the event. Allan Niemi, Director of Events for OAN, said they did turn their New Variety Showcase into an online voting component, but at the time, they didn't feel like there was a virtual platform that was worth the investment.

"By not having a business opportunity for folks, we still needed to have some kind of presence out there for the industry. But it was challenging as far as not having a trade show that is a large percentage of our revenue for the year," said Allan.

With Farwest's absence, OAN started to brainstorm how they could fill the void and realized that there's no rule that says you have to hold a virtual event at the same time as your in-person one would have been. For decades, OAN has published its Nursery Guide, which is a comprehensive listing of growers and products, and a few years ago, they created an online version. It gave them the idea to hold a "virtual marketplace" called Nursery Guide Live in February where attendees could find products and exhibitors in a user-friendly, Netflix-meets-Zoom interactive format. A former OAN employee introduced them to a company called Showmetry that had the perfect digital platform for their needs.

"We're looking at this as a possibility of having an annual virtual marketplace," said Allan. "It's not going to replace Farwest, but we're hoping this is going to become a new business-to-business product for us. Yes, people are getting a little burnt out of doing everything online, but there's still the ease for which you can do things online. So if we can make this an opportunity for folks to conduct last-minute purchases easily to round out their needs for the upcoming season, we're hoping this will be their go-to event without having to travel."

As the pandemic continued into the fall, questions about the winter shows started, specifically Mid-Atlantic Nursery Trade Show (MANTS) and the Tropical Plant International Expo (TPIE). Once the announcement was made that the Baltimore Convention Center—the MANTS home for the last 40 years—was going to be a makeshift COVID hospital at least until Christmas, Vanessa Finney and her team knew it was time to come up with something else.

"We had the benefit of some time to figure things out. Cultivate, God bless them, they scrambled and figured it out in

two months. We had a much longer time,” said Vanessa, who’s Executive VP for MANTS. “Since we don’t have education, we either had to do nothing or do something. Honestly, we had that discussion with the board and we talked about it a lot. And we decided we really wanted to do something—we didn’t want to go dark, so to speak, all year. So we thought there is value in doing this online hub.”

The MANTS Business Hub was open during the same event days, and Vanessa said the support and participation was pretty good considering the circumstances.

“My basic general feel for everything that I’ve reviewed is it was positive feedback, that we were able to provide a platform, have commerce, allowed people to have connections,” she said. “And I would say we didn’t hit all tens—absolutely we were not all tens because people want to be in person. Be it positive feedback or critical feedback, everyone still says they want to be in person next year.”

FNGLA was really planning on having TPIE in person, holding off on the decision to pivot to an online format until right before Thanksgiving. Being located in Florida, the organization is used to deliberating over the decision to postpone or cancel events because of hurricanes, but as another wave of COVID cases spiked in late fall, they knew they couldn’t have it in person.

“We’ve been through drama with the trade shows, but this is the first with trying to move something online,” said Linda Adams, FNGLA’s COO. “One of the reasons we tried so hard to do TPIE this year was because the products presented there by exhibitors are in huge demand—houseplants and tropicals. And TPIE is a very unique marketplace for those products.”

FNGLA already had to cancel its other larger event, The Landscape Show, in the fall of 2020, so they’d been thinking about how TPIE would look as a show with online components.

“To cancel The Landscape Show was a financial gut punch, and then having to put TPIE online, it was a double punch,” said Ben Bolusky, CEO of FNGLA. “But the leadership of the association recognized that we’re in uncharted waters, so we best prepare.”

## **Here to help**

Obviously, you noticed that all of your favorite industry events were moved online during the past year, but did you also notice that there were more ways to participate in educational opportunities? Almost all of the associations bulked up their digital programs with webinars and virtual sessions for their members while they were at home or in the office.

“Our industry is adaptive to change and this was certainly no exception,” said Ken. “Most of our sponsors and attendees quickly pivoted to building capabilities for digital commerce, adjusting to the virtual learning that was out there. Numbers certainly don’t tell the entire story, but several of our webinars had well over 1,000 registered.”

“We’ve always had our certification programs and they have been taking off,” said Linda. “Again, it’s not the same revenues we get from a trade show, but it has been nice to be getting that in.”

And lest we forget how stressful and scary the first few months of the pandemic were, our industry associations are happy to remind us—COVID-19 threw businesses for a loop and many turned to their trusty associations for help.

One of the reasons why we were deemed essential (and got some of the late states to come around) was because state and national associations used their relationships with public officials to convince them. Many associations created online portals filled with information on everything from how to get personal protective equipment to what to do if your employees test positive. Webinars and virtual meetings were put together addressing COVID business

relief and how to create a curbside pickup system.

“Right in the beginning of the pandemic, here in Maryland, March 15 was the first day the governor had a public press conference, and then a week later the first restrictions were put into place,” said Vanessa. “I was fielding phone calls from folks all over the state, members and non-members alike.”

“A lot of the online programming that we did was to help our industry navigate those business challenges during the heart of the pandemic. And we opened up everything to everybody,” said Ken. “We used our partners to help people find ways to apply for PPP loans and all of the other programs that were out there. Digital in that case allowed us to help more people more quickly than we’ve been able to do.”

The Society of American Florists is an association with a core strength in advocacy and government affairs, and with many of their members being small retail businesses, they were getting tons of inquiries about COVID relief.

Kate Penn, SAF’s CEO, said they did a lot of lobbying on behalf of the industry for PPP loans and USDA funding, which is the first time the USDA has ever distributed direct funds to growers. And since they were one of the drivers of those efforts, businesses from all over the industry turned to them for guidance.

“We did make a decision to open all of our COVID-related resources to anyone through Mother’s Day,” said Kate. “Ultimately, that’s what we’re here for, to connect with the floral industry, and that means we help everybody. That’s what associations do—we advocate for our industry and it’s so important.”

Along the lines of turning lemons into lemonade, having to pivot to digital events has given associations a chance to learn new ways of re-tooling their programs and develop new sources of revenue. Some of the virtual education you participated in during the year may become a regular occurrence. All association executives agree that nothing will ever replace the value of in-person conferences and also that a hybrid of some type will be how we’ll attend events in the future.

“I think all of us learned if you didn’t have Teams or Zoom on your computer before March 2020, you do now,” Ken said. “We’ve all learned how to survive in this environment. Mostly on the education side, and some on the networking side, we will expand our digital platform for education and programming. We don’t want to discourage somebody from coming to one of our events, but we also know that not everybody can make it, so we are exploring what hybrid programming will look like and see if we can find a way to reach a broader audience than just those who can come in person.”

“I don’t think it’s a situation where associations are feeling that they need to plan for some sort of permanent change in how people are going to convene in the future,” said Chris. “But I do think there are some lessons that associations have learned from the pandemic. You want to create as many—we call them ‘omni-channel’—delivery platforms so that even when we’re back meeting face-to-face there are other ways of engaging people who maybe don’t feel as comfortable traveling to a meeting in person, or have constraints on their time or resources, and they’re still able to participate in some fashion.”

## **The benefits of belonging**

Conservative estimates from associations say that only 30% of businesses eligible to be part of an association are actually members, meaning there are many people who aren’t enjoying the benefits that come with belonging to one. Besides the obvious events, conferences and education, the role of associations is to support their members to help make their businesses be successful and that takes other forms, including government advocacy and legal aid.

“One of the important roles that associations can play is being purveyors of best practices and information for an industry to manage their organizations through a difficult time,” said Chris, and if all of that went away, the absence

would be felt significantly.

In January, the Southern Nursery Association announced it was ceasing operations after 121 years. Before that, in December, the Western Nursery & Landscape Association announced it was dissolving as well. Even in a good year, associations that only rely on one big event as its primary source of income will struggle financially. If that well dries up because you have to cancel, and you don't have the resources to provide a virtual alternative, then you're in a very precarious position.

Danny Summers, Managing Director for The Garden Center Group, and his wife Karen managed the SNA beginning in 1988, and when they left in 2006, the trade show hosted 10,000 attendees and 1,400 exhibitors. Karen was asked to come back in 2011 and by then they were already experiencing severe hardships. A lack of revenue diversity and an aging membership pool became too difficult to bear.

"In the short term, they might think everything's okay, but it's typically problems, like COVID-19, that show an association what its real worth is. These regionals hung their hat on a trade show and it became very difficult," said Danny. "You want a balance. I think the biggest challenge for associations is how much of their community is used to communicating online. The ability to shift depends on if they are already there and used to online communication. The SNA audience was not and I'm guessing The Western was not. And SNA's dues hadn't changed in 15 to 20 years. You can't run an association on that level of dues."

Is the dissolution of SNA and WNLA a harbinger of things to come for other, larger associations? Especially if things with COVID-19 start to take another downturn?

Everyone I spoke with had no problem admitting that having to cancel their events this year hit their pocketbooks hard. But they also said that, should COVID-19 gear up again and they have to pivot, they would be able to survive.

"The in-person business model is a tough one if you have to survive a pandemic. We are fortunate to have some diversification with revenue; we aren't totally dependent on a single in-person event," said Ken.

"OAN has an extremely strong membership and we've been very fortunate over the years to diversify with many different programs to benefit our members, but also to provide many different ways to earn revenue for the association," said Allan, who noted not just the Nursery Guide, but also OAN's monthly magazine Digger and its outreach programs.

"If you're going to get through something like this, you have got to be willing to be flexible, you have to be elastic," said Vanessa. "You have to totally re-think everything, and if you're not willing to do that, you're not going to succeed."

"I think members often don't realize how much the events subsidize all the other activities," said Linda. "For any association, if their main revenue comes from events, there was a solid financial punch to their bottom line. A third of our annual revenue is from dues and two-thirds are from our two shows. We're fortunate because our association closely watches its finances, so we had a little bit of a cushion."

If the pandemic lasted for many years, the financial stability of associations would likely change, but there's hope that we'll be able to attend in-person events soon.

## **Looking forward to face-to-face**

As Cultivate was the first to go virtual, all eyes are on this show to see if it will be the first one back to in-person. And, as of now, Ken said he and his staff are moving full steam ahead with their plans to have Cultivate'21 in person.

“We’re working with our event team and planning every reasonable health and safety precaution to be able to assure both the locals and all of our attendees that Cultivate’21 will be a safe and enjoyable event. It’s our hope that we’ll be as close to normal as possible in July,” he said.

“There’s no inside baseball here—everybody across the country sees what’s going on with the vaccine, they see what’s going on with the numbers,” he continued. “Whether that’s temporary is yet to be seen, but all of the signs look good. We’re all starting to see signs of vaccines being rolled out in certain areas. I’m cautiously optimistic that by the time we get to mid-May/the first of June we’ll be in a good position to have Cultivate.”

If AmericanHort is able to successfully host an in-person Cultivate, chances are good that all of the rest of our industry events can fall into place right after. We may have had a surprising sales windfall in 2020, but it was a year of isolation, sadness and anxiety. By summer, we’ll deserve a much-needed weekend in Columbus.

“Even in this new landscape that we find ourselves, the role of associations is really more important than ever because at the heart of an association is this sense of community,” said Chris. “You may have different businesses, but you’re from a common industry. Frankly, we’ve all been craving a sense of community in this isolating time. And I think there are real opportunities now for associations to provide leadership to help their members emerge from this pandemic intact.”

“An association gives you the sense that you’re part of something bigger,” said Kate. “That you’re really part of an industry and the association reminds you of that because you’re connecting with all of your peers.”

“Trade shows are part of the rhythm of the industry. When the rhythm is disrupted people aren’t quite sure what they should be doing,” said Ben. “That’s also the role of an association—to try and reset the rhythm for the industry and deliver some of the pieces we’ve all missed. We really have to make sure the connection is still there.” **GT**