

“Getting Started in the Nursery Business”

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The production of plants for profit has the potential of providing many personal and financial rewards. However, as with many other farming enterprises that appear to be very simple on the surface, the nursery business is very complex and requires a great deal of knowledge and skill not only in production, but also in labor management and marketing.

Since nursery plants are agricultural crops, a great deal of risk is also involved from uncontrollable factors, such as the weather. Premature freezes, late freezes, flood, drought, wind, ice damage, insect, disease and theft are all potential problems. Producers generally experience some losses each year. Multiple locations at different elevations, irrigation, and genus diversification offers some protection.

Invest time studying books, extension publications and trade magazines before deciding to invest money starting a nursery business.

Visit experienced, successful nursery producers and observe their layout and inventory. Ask what they would do differently.

Nursery production is viewed by many as an alternative crop to failing traditional farm enterprises. But a poor manager will be a poor nursery manager.

Many potential producers do not realize the skill and knowledge required to produce a quality nursery crop in the field. Another crucial item that is often under-estimated is the amount of money that is required to produce a salable plant.

Production of nursery stock is both an art and a science. Many skills are best developed through observation followed by practice, not only from reference books. If possible, work at a successful nursery to get a feel for the seasonal and day-to-day activities and production practices used.

A successful nursery producer needs knowledge of plants, soils, fertilizers, pesticides, irrigation, machinery, pruning, harvesting methods, overwintering techniques, packing and shipping practices, plumbing, electricity, etc. **It is not just casting seed to the wind and watching the trees and profits grow.**

Beginning nursery producers can benefit from the resources and assistance provided by their Extension Service, the Small Business Admin., local and state nursery associations, the Natural Resources Conservation Service (NRCS), the Farm Service Agency, etc.

The Tenn. Dept. of Agr. (TDA) requires a \$200 annual certification. Contact your local Ext. office or the TDA Nashville office (615-837-5148) to learn how to contact your local TDA nursery inspector. A copy of the issued **plant certificate** (also referred to as a plant license) must accompany each wholesale plant shipment regardless of size as proof of being pest free following inspection. It is required to cross state lines and some county lines because of quarantined pests.

An individual requesting information about growing nursery may be referring to the production of annuals (or bedding plants), perennials or hanging baskets. The word '**nursery**' can mean different things to different people.

A **liner** is a young plant ready to be planted in field or container. A liner may be 6 inches tall or 6 feet tall. It may cost 35 cents or \$20. It may have been raised from a seed or as a rooted cutting, may have been produced by budding or grafting.

There are several different aspects of the Commercial Nursery Industry. The nursery industry is very **diverse**. **You could produce ornamental plants:**

By propagating **liners from seed** in beds or field rows **or from cuttings** stuck in ground beds, with or without a poly covered Quonset house over the beds to sell to other nurseries.

By propagating **budded tree liners** in field; such as pink dogwood, Bradford pear, etc., to other nurseries.

By propagating and growing **ground covers** such as ajuga, Wintercreeper Euonymus, ferns, ivies, daylilies, hosta, monkeygrass, pachyasandra, phlox, vinca, etc., and selling to retailers, landscapers, landscape contractors, re-wholesalers, etc., retail and wholesale.

By growing shrubs and trees **in the field, harvesting B&B (balled & burlapped)**. Must be more than 10 acres to cash flow, primarily because of the many pieces of specialized equipment required. Many of the flowering and shade trees are 5 year crops on average. Requires land, labor, money, experience, knowledge and specialized equipment.

By growing shrubs and trees in containers, up to 45 gallon. 5 to 10 acres.

Conventional container production requires a dependable source of quality water (tested for irrigation suitability), such as a good well or stream, sufficient for approximately 200-250 irrigations per year, with 27,000 gallons required per acre per day (equals 1 acre inch), catch basins to avoid run-off leaving the property, overhead

sprinklers with uniform distribution, a 4 inch gravel base or fabric, overwintering structures, knowledge and experience. Labor intensive. Can't leave.

Pot-N-Pot Production is the production of shrubs and trees in 5-25 gallon containers spaced 3x6 feet apart. Holes are augured, with an injection molded container sank up to its rim. This holder or socket pot may last 10 years. The plant is planted into a less expensive blow-molded container, which sits or nests in the holder pot.

Plants are overwintered in place, no overwintering structures required, no gravel, no blow over and little water, with no run-off. Spray stakes are placed 1 per container and are fed by a spaghetti tube from a 3/4 inch lateral running down each row. Cost estimates can run \$20,000 per acre to set up when nothing is present, or \$15-25 per 10 gallon pot.

You could be in the nursery industry involved in buying and selling or planting the plants that someone else produced:

Set up a **Re-Wholesale lot** near a major city. Keep it well stocked with quality B&B and container plants. Could require several hundred thousands of dollars: land, equipment, overwintering houses, inventory, labor, utilities, etc.

If you liked milking, open a Retail business, a garden center, but, location, location, location. Buy all plants, locate on the right side of road when leaving town to facilitate stops on way home. Excellent quality, labor to care for and load, knowledgeable staff to answer questions, line of pesticides and hard items, overwintering houses, greenhouse to sell quality houseplants from, offer re-potting service, maintenance.

A **broker** sells and then buys from the producers. He prints a catalog, advertises and exhibits at trade shows. After a few years, you learn what plants are scarce, plentiful, difficult to produce, in demand, etc. Production can begin after the customers are found. A few nurseries started this way.

Large nurseries have **traveling sales** personnel on the road.

There are businesses that **design** landscapes, there are companies that **build and plant** what the designers design and there are companies that specialize only in the hard scapes and those that **maintain** the completed site. A very few companies do it all.

A good relationship with a few good, active designers could keep a small labor force busy just installing (planting) the plants.

A pickup truck, pruners, a rake and some knowledge can get someone started in **Landscape Maintenance**. Come to think of it, the knowledge part is optional. Anyone and everyone mows, so decide if you will. Mowing may get you in the door; sub it out later. But don't shear all plants into round or flat-top boxes. Learn selective pruning.

Additional thoughts

Nursery is **planted and harvested during the same season**, while dormant, Oct through March generally. **The nursery producer does not take the products to an elevator, gin, warehouse, livestock barn and take the set price that is being paid that day. The nursery producer must decide and plant today, what will be offered for sale in 5 years**, (assuming 2" caliper shade trees).

The nursery producer must print business cards and a catalog, travel to and exhibit at nursery trade shows, have a fax, a computer, an office, secretary/bookkeeper, labor, etc., in order to attract **a buyer, who is not known, who may haggle for a lower price and then may never pay after delivery that the producer must arrange**. Every nursery suffers some annual losses from pests or weather. It is very difficult to collect from out of state buyers that do not plan to pay for the third load.

Another container revolution started in the mid-90's; with buyers requesting more woody ornamentals available in containers, rather than B&B. If starting a nursery from scratch, and no experience, why not consider growing in containers, as opposed to field production. A sufficient volume of good water is required for conventional container production; but not for PNP. Less land and machinery is required for conventional containers and PNP than field production.

There is currently a lot of consumer interest in using more perennials in the landscape. More would be used if the consumer's knowledge was greater. One could specialize in some of them and sell by mail order. Native Gardens in Greenback, Tenn. and Sunlight Gardens in Andersonville, Tenn. are very successful, but they have degrees in Botany, Horticulture, and 20 years of experience.

There were many new entries into the industry during the late 80's and early 90's. Several never sold a plant. Some sold under current market prices trying to gain the investment. \$80 trees were sold for \$15. Most did not make it. Those that made it threw themselves totally into it. They lived it, reading, visiting, attending educational seminars, networking with peers, etc. It also comes down to supply and demand. During shortages, by the time that a new producer can have product for sale, so can those that are established. Most present nurseries have a 20+ year market base.

Out of 52,000 certified acres of nursery stock in Tennessee; 37,000 acres are in Warren, Coffee, DeKalb, Franklin, and Grundy counties of middle Tennessee. Approximately 47% of the U.S. population lives within 800 miles of Tennessee. Tennessee is a good point to distribute from.

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