

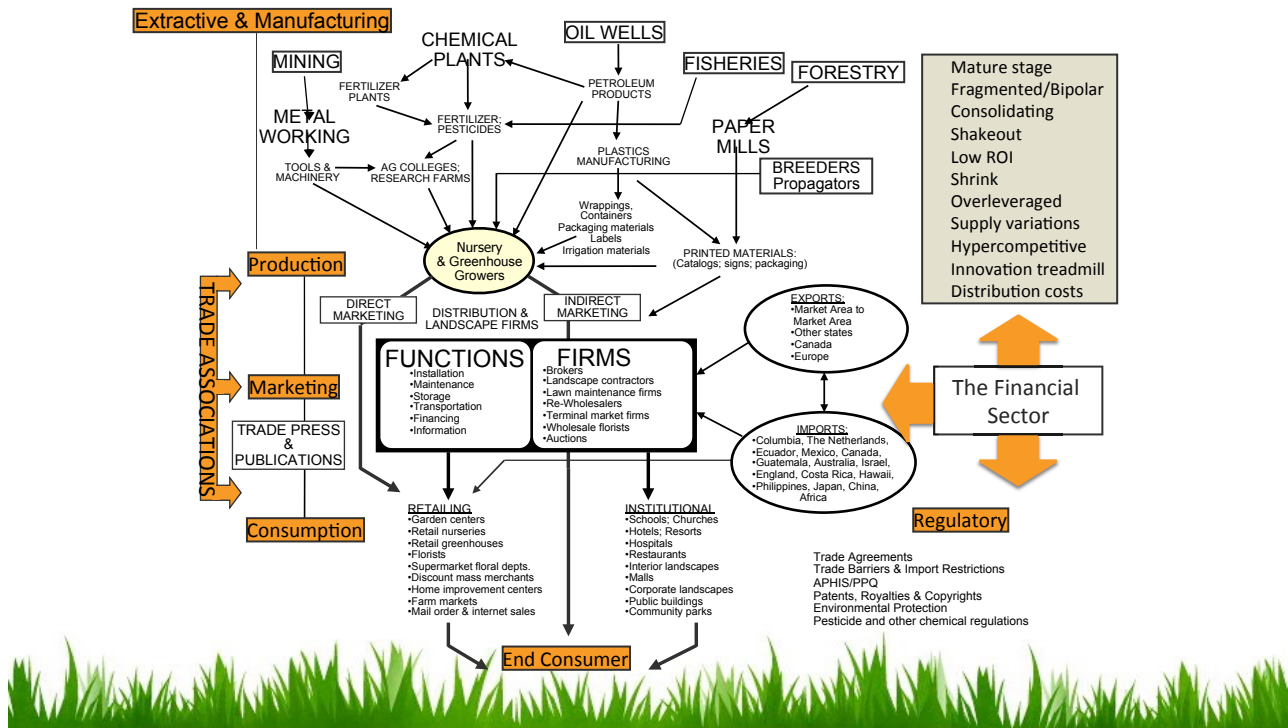


Are We There Yet? Economic Recovery and What it Means to Floriculture

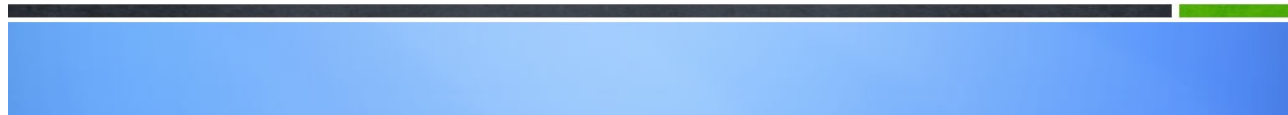
Dr. Charlie Hall, Ellison Chair in International Floriculture
Texas A&M University
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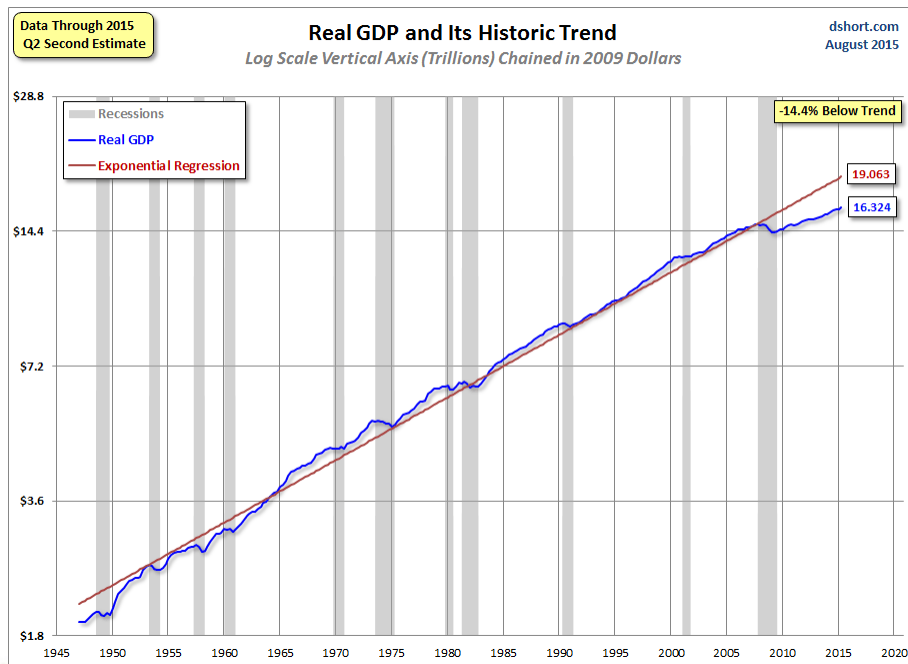
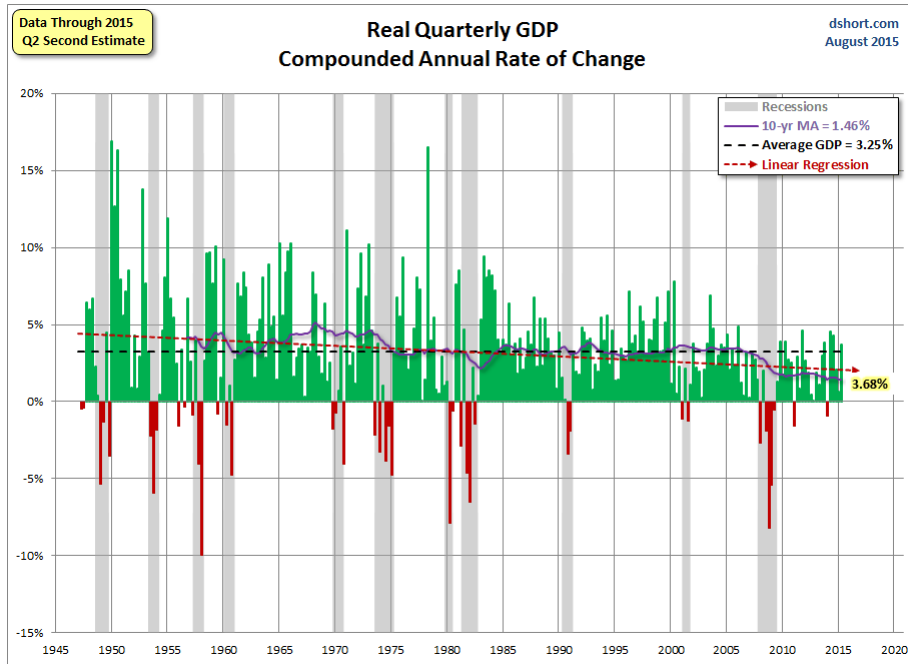
“You’ve got to think about BIG things
while you’re doing small things,
so that the small things go in the
right direction.” – Alvin Toffler

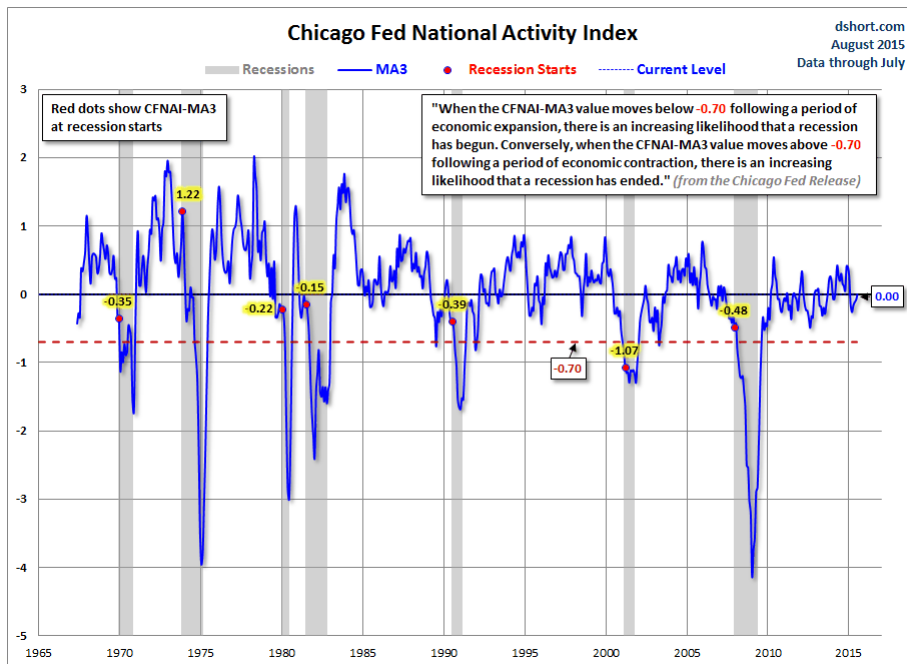
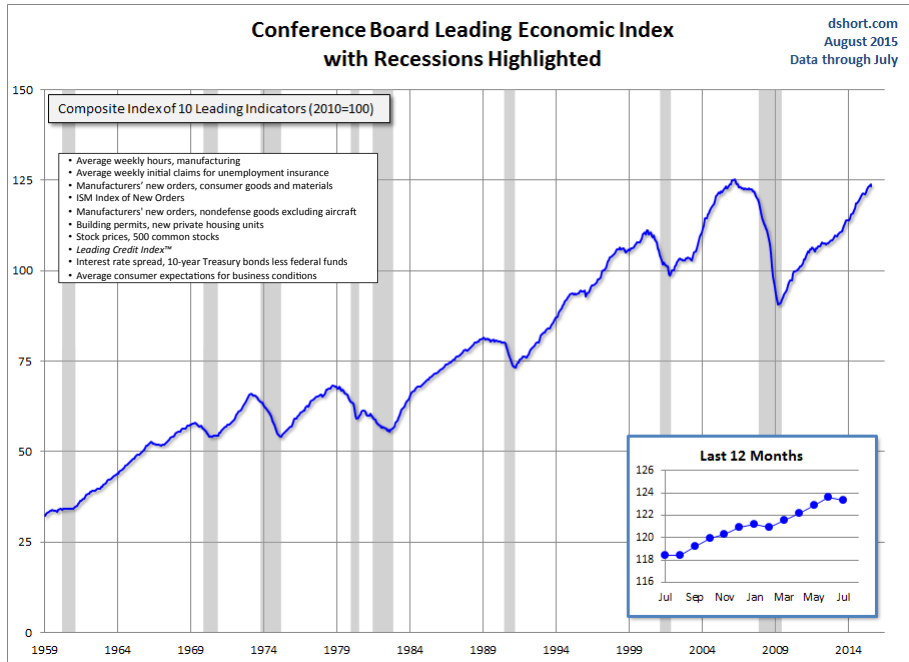




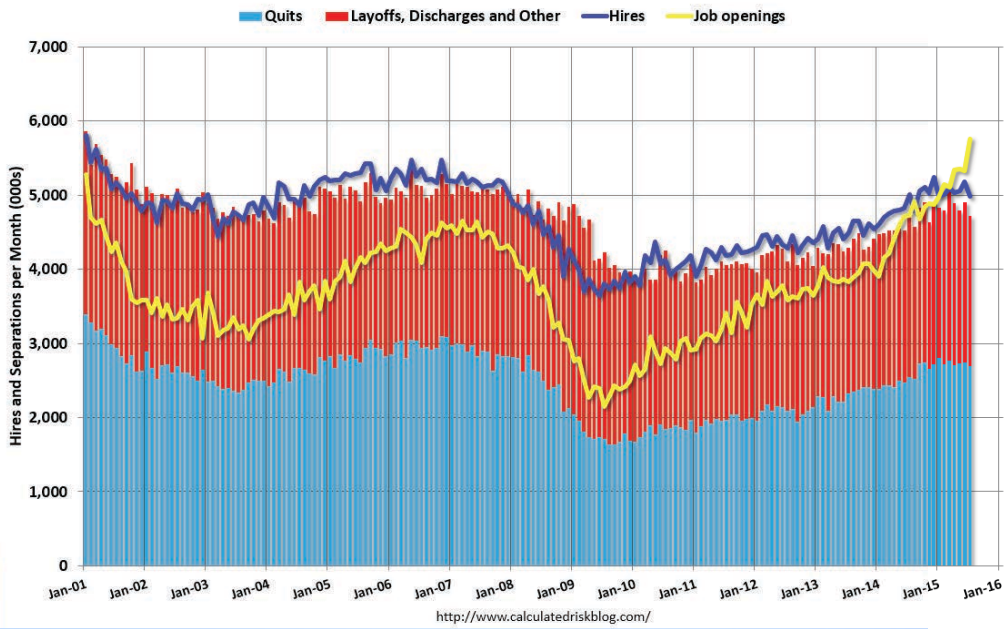
What's happening with the economy right now and what's the near-term forecast?







Hires and Separations Monthly (SA) from Job Openings and Labor Turnover Survey (JOLTS), Source: BLS

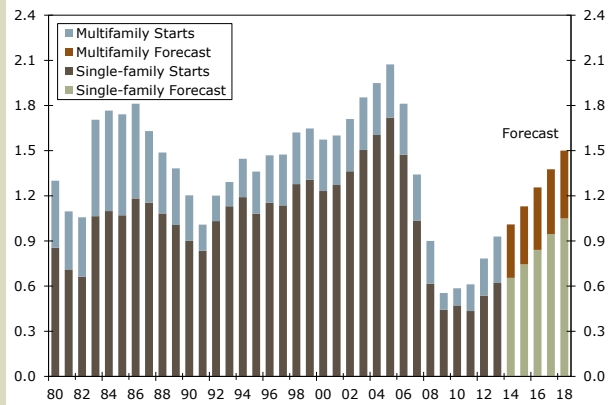


The housing market should gradually gain momentum in 2015

Months' supply
The amount of time it would take, at months, to sell the stock of newly-built homes available for sale at the current sales pace. The National Association of Realtors considers a six-month supply to be a balanced market.

Months' supply of newly-built homes for the past 10 years

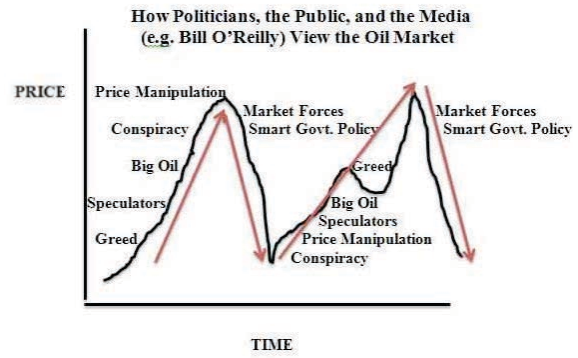
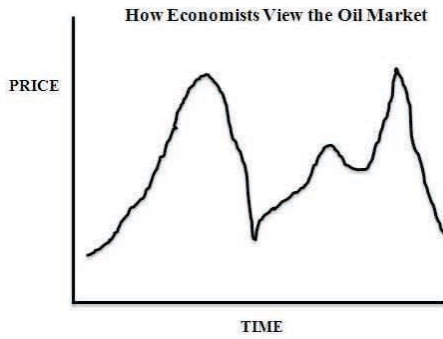
Housing Starts
Millions of Units



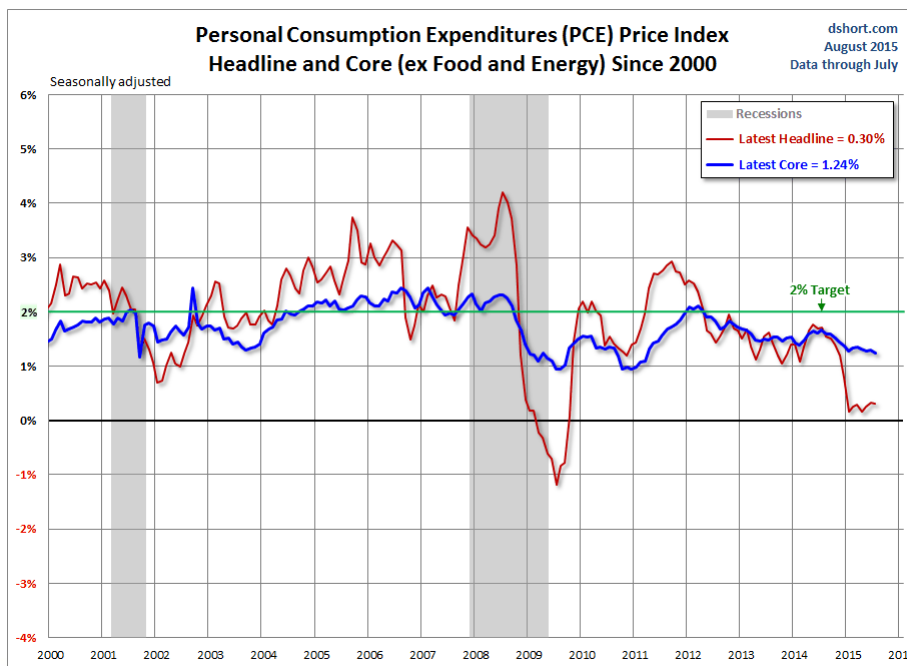
	2007		2012		% Change	
	Economic Census	NABR	Economic Census	NABR	Economic Census '07-'12	NABR '07-'12
New Residential Builders	98,667	97,889	48,857	26,421	-50%	-74%
New Single-Family General Contractors	99,679	14,339	30,487	18,912	-69%	-17%
New Multifamily General Contractors	3,000	681	1,789	328	-40%	-12%
New Housing for sale Builders	15,376	22,079	18,271	7,181	-54%	-69%

Source: U.S. Department of Commerce and Wells Fargo Securities, LLC

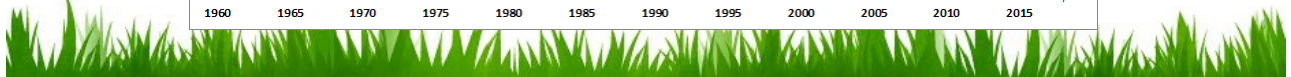
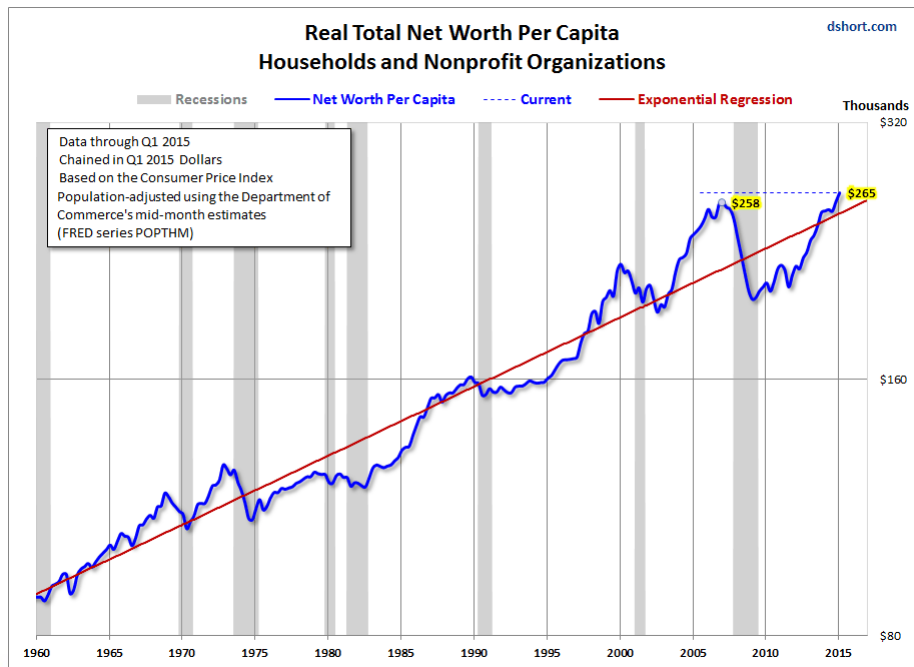
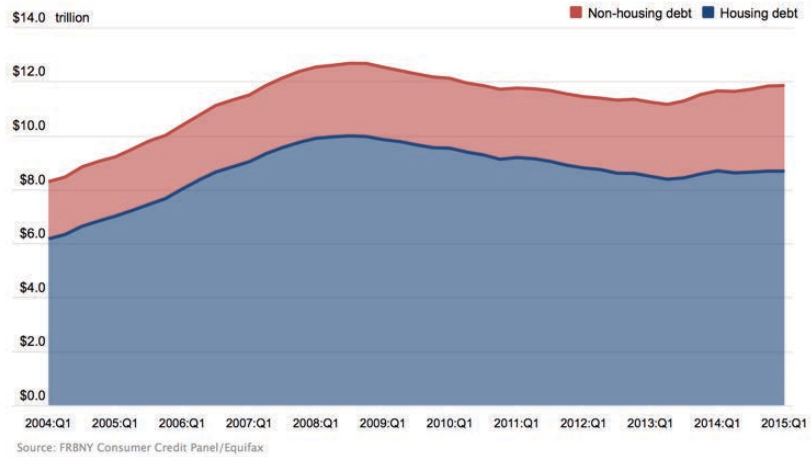
Source: U.S. Census Bureau, 2007 and 2012 Economic Census; 2012 NABR Membership Census; and 2007 NABR Membership Profile Report

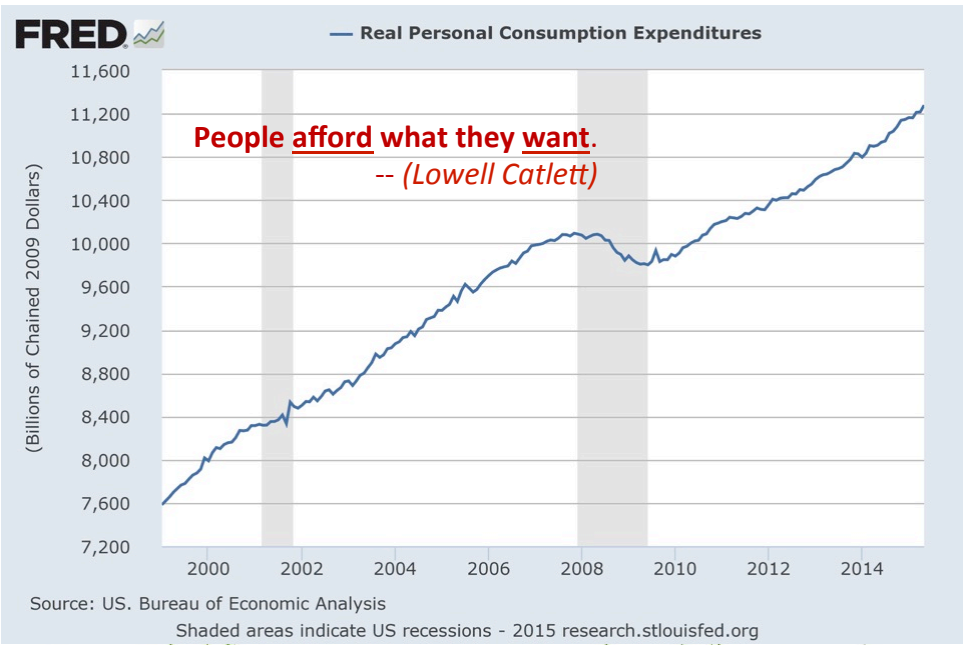
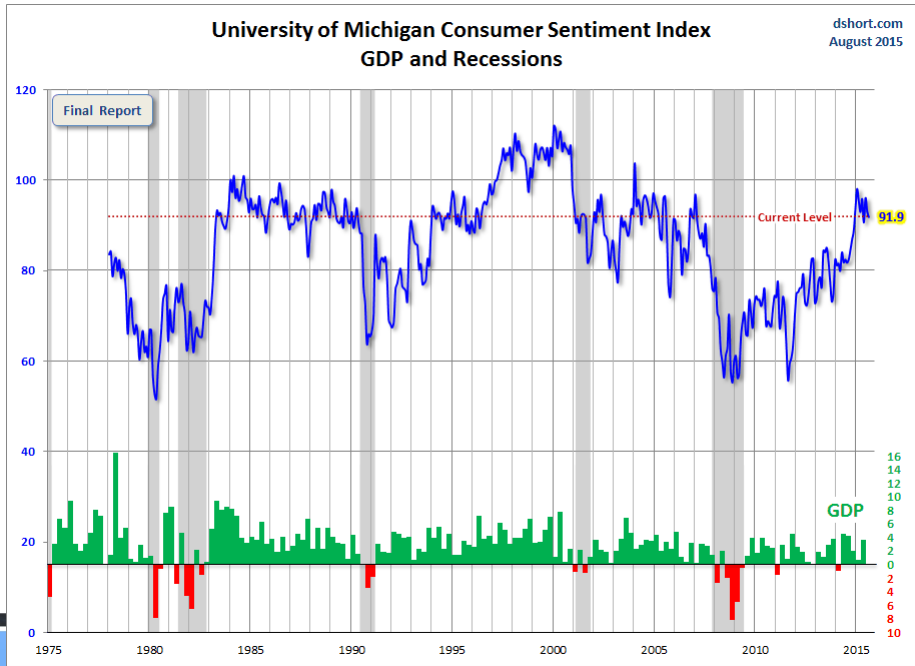


2015 avg price = \$2.41/gal
 2016 avg price = \$2.38/gal



Total Debt Balance

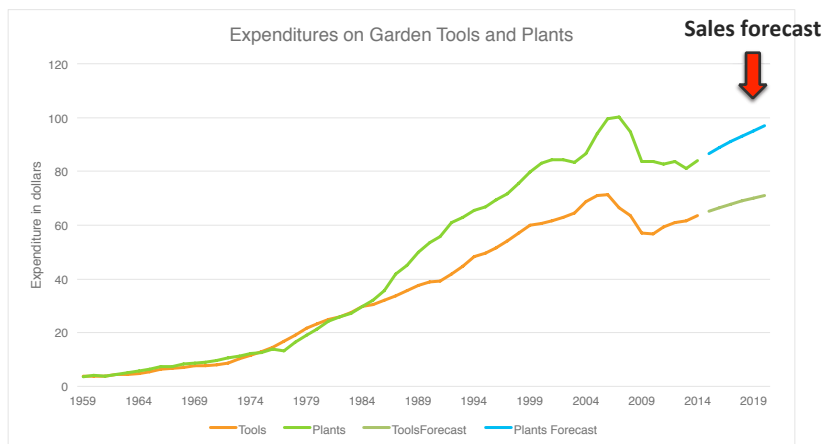




U.S. Pet expenditures (\$billions)



PCE data 1959-2014 (garden tools & plants)

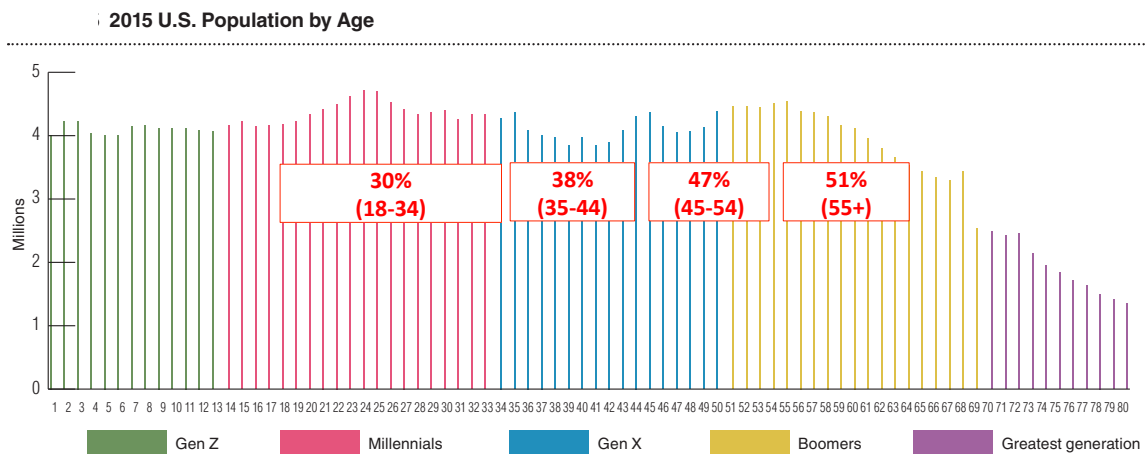


MINDSHARE

42% / 25%



Demographics & Demand



-
- All things around us affect consumer impulses and consequently drive where they spend their dollars!
 - What consumers anticipate from their purchase decision is in a constant state of flux!
 - Those that watch them closely and understand perceived value proposition will be able to take advantage of market opportunities.

 SAF MARCO ISLAND 2014 -- Bob Williams

Elements of perceived value

1. Functional/instrumental value
2. Experiential/hedonic value
3. Symbolic/expressive value
4. Cost/sacrifice value





We are more than pretty!

Economic Benefits

- Beautification draws customers & reduces shopping stress
- Boosts occupancy rates
- Generates tourism revenue
- Job creation from increased services demanded
- Reduced health care costs
- Increased property values
- Tax revenue generation
- Reduced street repairs and maintenance costs
- Upgrade effects of surrounding areas
- Revenue from educational programs & special events

Environmental Benefits

- Carbon sequestration
- Improved air quality
- Attracts wildlife and promotes biodiversity
- Energy cost savings associated with heating / cooling
- Reduced heat and cold damage
- Offsets heat islands
- Reduced noise pollution
- Reduced soil erosion
- Reduced storm water runoff
- Improved water quality
- Reduced urban glare
- Effective windbreaks
- Increased biodiversity

Health/Well-being Benefits

- Improved concentration and memory retention
- Enhanced learning capacity
- Plants generate happiness
- Reduced stress and depression
- Health and recreation benefits
- Accelerates healing process
- Therapeutic effects of gardening
- Improves relationships / compassion
- Improved human performance / energy
- Medicinal properties
- Improved mental health
- Reduced community crime
- Traffic safety / driver satisfaction

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Flower Promos Consumer Research & PR Health Benefits and Research

Health Benefits and Research

in Floral Industry News Industry Promotion

- [Generations of Flowers Study](#)
- [Power of Giving Flowers Study](#)
- [Home Ecology of Flowers Study](#)
- [Consumer Attitudes and Behaviors About Floral Purchasing Study](#)
- [Impact of Flowers & Plants on Workplace Productivity Study](#)
- [Flowers & Seniors Study](#)
- [Emotional Impact of Flowers Study](#)







MEDIUM-SIZE OFFICE BUILDING

The figures below present the key office building assumptions, the proposed green infrastructure property improvements, and the resulting benefits.

GREEN INFRASTRUCTURE IMPROVEMENTS

- 17,900-sq.-ft. **green roof**, installed at the end of life of the existing conventional roof, with green covering 80 percent of the surface, or 14,300 sq. ft. (Remainder of roof is impervious area.)
- 20 strategically **planted trees**, 10 opposite a west-facing wall and 10 opposite an east-facing wall
- 10,000-sq.-ft. **permeable pavement** parking lot, installed at the end of life of the existing parking lot
- Bioswales** and **rain gardens** that manage 1 inch of runoff from 4,700 sq. ft. of adjacent impervious area



POTENTIAL BENEFITS		NON-QUANTIFIED BENEFITS	
Energy savings due to reduced demand for heating and cooling	\$1,630 Annually	Increased property values	++
Avoided costs for conventional roof replacement	\$271,970 present value over 40-year analysis period	Reduced infrastructure costs due to use of permeable pavement system	+
Tax credit	\$67,130 one-time credit in year of installation	Reduced crime	+/-U
Increased rental income	\$72,150 annually (assuming no vacancies)	Improved health and employee satisfaction	+ (for tenants and employees)
Stormwater fee reduction	\$3,490 Annually (projected to increase 6% per year)	Reduced costs associated with flooding	U
Total present value benefits (over 40-year analysis period)	\$1,863,000 +	+ would likely increase net benefits; ++ would increase net benefits significantly; U direction of net change is uncertain.	
<small>Present value benefits over 40-year period were estimated on the basis of a 6 percent discount rate, projected CPI, projected increase in electricity and natural gas prices in relation to CPI (based on historical relationship), and 6 percent annual increase in stormwater fees. Improvements assumed to be implemented in 2015. Avoided conventional roof replacement costs were added to net present value of other benefits. Tax credit and stormwater fee reductions are based on available credits and fee structure in Philadelphia; many other localities have similar incentives.</small>		BUILDING ASSUMPTIONS (BEFORE IMPROVEMENTS)	
		SIZE	53,600 sq. ft.
		STORIES	3
		ROOF SIZE	17,900 sq. ft.
		LOT AREA	32,000 sq. ft.
		PERMEABLE AREA (COVERED IN TURF)	1,000
		ANNUAL RENT	\$19.23 per sq. ft.



The Century Oak Tree received the "Famous Tree of Texas" designation from the Texas Forest Service.









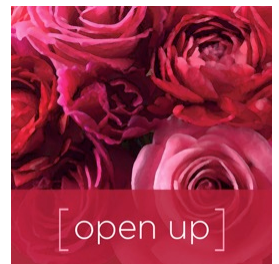
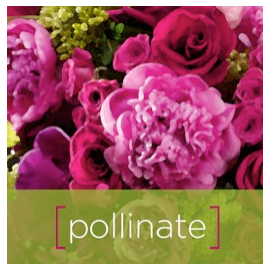
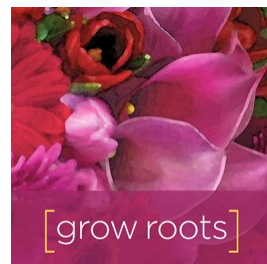
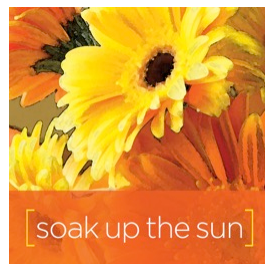
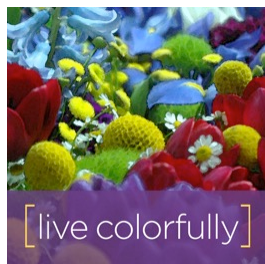
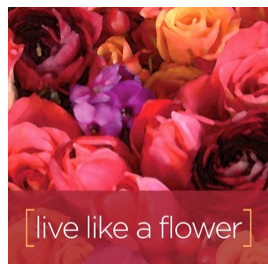
A vibrant bouquet of flowers arranged in a clear glass vase. The bouquet includes several bright pink roses, orange ranunculus flowers, and orchids with yellow and white petals. Green foliage and succulents are interspersed among the main flowers. The vase sits on a white surface.

moodchanger

FLORISTS—EXPERTS IN THE ART OF EXPRESSION

SOCIETY OF AMERICAN FLORISTS







October 7, 2015 – Petal It Forward event

 **PETAL
IT FORWARD**
#PETALITFORWARD

 **PETAL
IT FORWARD**

Science proves flowers make people happy. If these did the trick, show us at #petalitforward

 Instagram/about_flowers
 Twitter/flowerfactor
 Facebook/aboutflowers

SMILES BY THE SOCIETY OF AMERICAN FLORISTS

Generate media coverage highlighting the positive impact flowers have in our work productivity and emotional state

aboutflowers.com
aboutflowersblog.com



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Flower Promos Consumer Research & PR Innovative PR Campaigns Petal It Forward

Select Language

Petal It Forward

Petal It Forward: Capitalize on SAF's Event to Promote Your Shop

Whether it's paying for a fellow commuter's toll, or leaving a generous restaurant tip, "pay it forward" actions are all the rage. News coverage on people spreading kindness has evolved into an ongoing feel-good story on traditional and social media channels across the U.S.

SAF is taking part in this feel-good trend through its Petal It Forward campaign, leveraging study findings on how flowers have an immediate impact on happiness and a long-term positive effect on moods (and that people report the best reason to receive flowers is "just because").

The campaign aims to generate media coverage (through both social and traditional media outlets) highlighting the benefits of flowers -- the positive impact flowers have in our work productivity and emotional state -- and positioning SAF websites (aboutflowers.com and aboutflowersblog.com) as viable resources for consumers.

SAF's Petal It Forward Event (NYC)

On Wednesday, October 7, 2015, SAF's marketing team will hit the streets of New York and randomly present two flower bouquets each to people throughout the city. Recipients will be asked to "Petal It Forward" by giving one of their bouquets to someone special in their life, or even a stranger who could use a smile. They will be encouraged to share how they Petal It Forward by posting a picture using the hashtag #PetalItForward and tagging SAF's Instagram, @About_Flowers or Twitter, @FlowerFactor. And they'll be reminded that they can continue to spread the happiness throughout the year by visiting their local florist.

How to Petal It Forward in Your Community

Join SAF on Wednesday, October 7th (or sometime that week) and host a Petal It Forward event in your community. Here's how you can do your own event and help take this campaign nationwide:

Before the Event

- Get single stems or create small bouquets to surprise people on the street with flowers.
- Partner with your wholesaler to see if they'd like to join you in the effort.
- [Print out this Petal It Forward card](#) to attach to the flowers, which has instructions for recipients to share their experience. (Feel free to add your shop name and/or logo to the back.)
- Consider getting t-shirts printed in your signature shop color with #PETALITFORWARD on the front ([click here for a template](#)) and your shop logo.

Petal It Forward

- Contacting the Media
- Sample Press Release
- Sample Media Advisory
- Flower Card Template
- T-Shirt Template
- Flower Event Messages
- Social Media Messages

Conclusion

- *Ceteris Paribas*, there is nothing holding us back from finishing 2015 and having a great 2016.
- But we must emphasize value and relevance for LT growth.



If we always
do what we've
always done,
we'll always
get what we've
always gotten!

