More Insight on 2018

Our cup — or rather, our story — runneth over when it came to our <u>January 2018</u> coverage of insights and perspective from industry leaders on the challenges and opportunities of 2018. That's a good "problem" to have. We may have run out of print space in the story, but we wanted to share these thoughtful insights from leaders who have a unique perspective on different segments of the industry. Look for more coverage on many of these issues this year.

Debbie Woltmann, TMFA

President, Texas State Florists' Association

What are you most excited about for in 2018?

Building member success is at the heart of TSFA's mission. There is always the chance that a new day or new year will be a good day/year, always an opportunity to turn it around. Like a gardener who puts a seed in the ground, with optimism that a pretty plant will grow. TSFA presents amazing educational opportunities providing florist the continual opportunity to learn more about floral design, trends, new varieties, business operations, marketing and social media.

What are your top challenges moving into the new year?

As TSFA President, I interact with many shops from very small to large. The smaller shops are challenged by their size with one or two-person staffed shops. These shops are finding it difficult to hire qualified employees, provide a competitive salary, having enough business for 40 hours a week for an employee to work, or finding a qualified person that is willing to work part time. This is heightened when other types of business offer benefits that may not be affordable for a smaller shop. TSFA is answering some of these challenges, developing qualified floral staff by offering the Level 1 and Level 2 Floral Design Certification through the high schools in Texas.

There are opportunities to expand sales and broaden the business. More and more florists are needing to understand the business aspect of their shops, by taking a hard look at their business, deciding if they should be an all occasion floral or better suited as an event florist. Listening to our membership, TSFA offered, for the first time ever a Business Registration component during the Texas Floral Expo and found it to well received.

What about the overall floral industry? From your perspective, what are the top challenges and big opportunities in the short-term?

Expectations are far greater these days than in the past. Social media and the internet with its worldwide reach, has placed photos of gorgeous flowers in everyone's vision. Information is readily available for customer's to read, observe, and learn. All shops need to get on board with beautiful, easy to navigate, websites. A yearly social media plan is critical. Educating the consumer to shop at real local florists continues to be a challenge when the internet offers so many gift options.

What about the longer term – looking ahead 3, 5 or even 10 years? Big opportunities and big challenges?

Funeral work will still be completed by florists; however, designs must be done well, with style, quality, using fresh flowers. If sympathy design is part of the business plan, florists should aggressively seek out sympathy work. TSFA suggests that florists have open communication with their local Funeral Directors.

What's an issue you deal with regularly in your role as TSFA president that you wish you could better explain to the industry at large?

TSFA is working to develop programs that will encourage volunteerism while providing the education needed in business and design. Membership in trade organizations is not always seen as important for development. Competition with Social Media Chat Groups and other online outlets create challenges for TSFA's Board in membership development.

Tell me about a project or initiative you've completed recently that you're really proud of:

As TSFA, our Level One Floral Design certification of students, creating future employees and educated consumers about our products. Offering the retail florists, the opportunity to sell a new product, incorporating floral design to create gift with flower paired with Texas Wine. The marketing was accomplished by a grant through the Texas Department of Agriculture. With changes in licensing making it affordable for flower shops to add this profit center, the opportunities are endless. The success of our Texas florists are proof of the power of teaming with our growers, wholesalers, suppliers and manufacturers and Texas Floral Education Underwriters to make the education opportunities available to the entire Texas floral industry.

Rodney P. Crittenden

CEO, Executive Vice President, Michigan Floral Association

What are you most excited about for in 2018?

I'm really excited about the new partnership formed between the Michigan Floral Association (MFA) and the International Live Events Association (ILEA). The two Associations have come together to produce the all "New" 2018 Great Lakes Floral & Event Expo! It is very exciting as we are now able to bring all segments of the industry together for outstanding educational and networking opportunities. ILEA has developed Event Specialist sessions and will be inviting event industry vendors to participate in the tradeshow. The "NEW" Expo will give retail florists the opportunity to learn, network, and share ideas with Event Specialist and vice versa. The partnership is off to a great start and I am very excited to see it all come together! You can learn more about the event at www.michiganfloral.org by clicking the Great Lakes Floral & Event Expo tab in the top menu bar.

What are your top challenges moving into the new year?

Cultivating memberships, engaging members, and retaining them from year-to-year is an annual challenge in the Association world. The Michigan Floral Association and the Wisconsin & Upper Michigan Florists Association are unique in the sense that both organizations

represent businesses (a Trade Association) and individuals through the Certified Florist program (a Professional Association). Each has a different set of member benefits. Ensuring that these benefits are current and relevant is challenging.

What about the overall floral industry? From your perspective, what are the top challenges and big opportunities in the short-term?

I am optimistic! Flower quality, varieties, and availability are at an all-time high. The economy is good; interest rates are low; fuel for transportation and heating cost are down; the stock market is up. Each of the aforementioned puts more disposable income into consumers' pockets. Consumers are spoiled with a large variety of avenues to purchase flowers. The challenge is to get the consumers to buy flowers from you.

What about the longer term – looking ahead 3, 5 or even 10 years?

One big opportunity for our industry in the next 10 years is the "Baby Boomer" generation. They have disposable income and are growing older. Inevitably, they will have family and friends who will pass on, and flowers will offer a great option for them to express their sympathies. They can place flower orders from the comfort of their own home to be sent to a funeral service anywhere in the world. Another great opportunity is on the other end of the spectrum with the "Millennial" generation. They will be getting married, starting families and will take control of the worlds wealth. They love flowers and will want to develop a special relationship with a professional florist to help with their needs. The challenge with both of these groups will be to make sure they order flowers from you. You will need to network, provide exceptional products and services, and continually build and nurture your relationships with clients from both groups to ensure they come to you for all their floral needs.

Judy M. Laushman President, Association of Specialty Cut Flower Growers, Inc.

What are you most excited about for in 2018?

We hope our membership continues to expand. Since 2012, it has increased more than 100%. In 2017 we gained almost 470 new members. We continue to host grower events with overflowing attendance. While several of our past meetings have concentrated on new or beginning growers, we are producing a meeting in March of 2018 for "seasoned growers", which will provide learning on business and farm transition, estate planning, grant writing. Our National Conference in September will be a celebration of the ASCFG's 30th Anniversary.

What are your top challenges moving into the new year?

Our cut flower growers face the same challenges as all farmers: labor, weather, markets. Issues like drought or too much rain, exacerbated by man-made climate change, are likely to worsen in the coming years.

What about the overall floral industry? From your perspective, what are the top challenges and big opportunities in the short-term?

Americans' consumption of floral products still lags behind those of other countries. Cut flowers are too often considered "not worth the price", too often because their postharvest care was insufficient to maintain a longer vase life. Educating all floral buyers, from retail and wholesale florists to the final consumer, on proper flower care is both a challenge and an opportunity across the industry, starting with the grower.

What's an issue you deal with regularly in your role that you wish you could better explain to the industry at large?

Probably the misconception that our members are not "serious" growers because they are small or seasonal. While many of our members are small, and do have off-farm income, they are serious about producing quality cut flowers, often grown sustainably, and they are filling the demand for locally-grown product.

Tell me about a project or initiative you've completed recently that you're really proud of:

The production of our first textbook, *Postharvest of Cut Flowers and Greens*. Dr. John Dole of North Carolina State University pulled together a team of collaborating authors to write chapters on more than 200 genera of cut flowers, including annuals, perennials, foliage, and woody plants. It is written for growers, as well as retail and wholesale florists. Detailed information on harvesting and processing, ethylene control, and postharvest testing, and forcing woody cuts is presented. My colleague Linda Twining created the layout, I edited, and we both learned quite a bit about book publishing in a short time.

Tell me something you want to do better in the future:

I'd like the ASCFG to be better able to serve its wide range of members. We have farmers, scattered across North America (and beyond) who grow 50 or more acres of cut flowers, and those who are on less than one acre. They grow in the field, in small hoophouses, and in large glass greenhouses. They sell to retail and wholesale florists, at farmers' markets, to grocery stores and chain stores, for weddings and events. The breadth of the material grown, from annuals and perennials to woodies to bulbs, and grasses and herbs and—you name it, they'll make a cut flower out of it—makes it tricky to "standardize", for lack of a better term, our services.

Joaquin De la Torre Managing Partner, Ball Seed Company

What are you most excited about for in 2018?

To see if finally, we as industry we can get together and promote flowers.

What are your top challenges moving into the new year?

To be quite honest dealing with government institutions has become a nightmare everywhere. What about the overall floral industry? From your perspective, what are the top challenges and big opportunities in the short-term?

I believe we will continue to see a good demand specially coming from big retailers. E-commerce still a challenge specially in terms of reliable quality, Transportation seems to be the big question mark.

What about the longer term – looking ahead 3, 5 or even 10 years? Big opportunities and big challenges?

Big opportunities how we can, through marketing programs, get closer to the consumer. Big challenge how to set those programs so we can get closer to the consumer.

What's an issue you deal with regularly in your role that you wish you could better explain to the industry at large?

Introducing a new variety to the market. It is taking over five years.

Why is this issue important to you and/or hard to communicate?

Most people in positions of making the decision what to buy/ produce are reluctant to the risk of change. With that it is very difficult to bring innovation to the market.

Tell me about a project or initiative you've completed recently that you're proud of:

Having a succession plan in the company. Having new young people is the key to a good future.