

Top 100

FOCUS ON

Workforce STABILITY

With lots of movement in our Top 100 Growers list, respondents are dealing with finding legal workers and grooming them to become great employees.

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THERE have been quite a few shifts around our Top 100 Growers list this year, including eight new companies. The Top 10 list didn't endure many changes, but some of the players added environmentally controlled area. Six of the 10 from last year retain their previous rankings, but three companies rose from their positions last year.

Our top two companies, Hines Horticulture and Yoder Brothers Inc., kept the top two spots from last year. Kurt Weiss, No. 3, added 180,000 square feet, switching places with No. 4, Color Spot Nurseries. Speedling Inc. added 22,000 square feet, but remained in position No. 5.

Metrolina Greenhouses jumped three spots this year to No. 6, after adding 600,000 square feet of greenhouse area compared to last year's number. Paul Ecke Ranch stayed at No. 7 with 200,000 new square feet of growing area.

Altman Plants and The Sun Valley

Group remained at Nos. 8 and 9 respectively. Delray Plants landed in position No. 10, up one spot from last year. Other leaps this year included Kerry's Bromeliad Nursery. With the acquisition of Twyford, it jumped from No. 21 to No. 12. Bell Nursery moved up 14 spots to No. 23. Tagawa Greenhouses added 970,000 square feet through purchases of existing facilities, jumping from No. 27 to No. 21. Timberline Nursery also made a big move this year, from No. 95 last year to No. 52 this year as we account for contracted production area.

Making it onto our list this year are Polk Nursery Company (29), Young's Nursery and Greenhouses (tied for 56), Welby Gardens (61t), Richardson Brothers Inc. (77), Kietzer Farms Inc. (92t), Shephard Greenhouses (95t), Kaw Valley Greenhouses (95t) and Stacy's Greenhouses (97t).

In our coverage of the Top 100 Growers, labor and human resources stand out as major concerns, in light of the immigration reform movement. Solutions to energy problems – which

many of our growers solve with conservation and renewable energy techniques – were also on the minds of our survey respondents. To see those solutions, see "Big Solutions For Big Growers" on page 76.

Accessing Human Resources

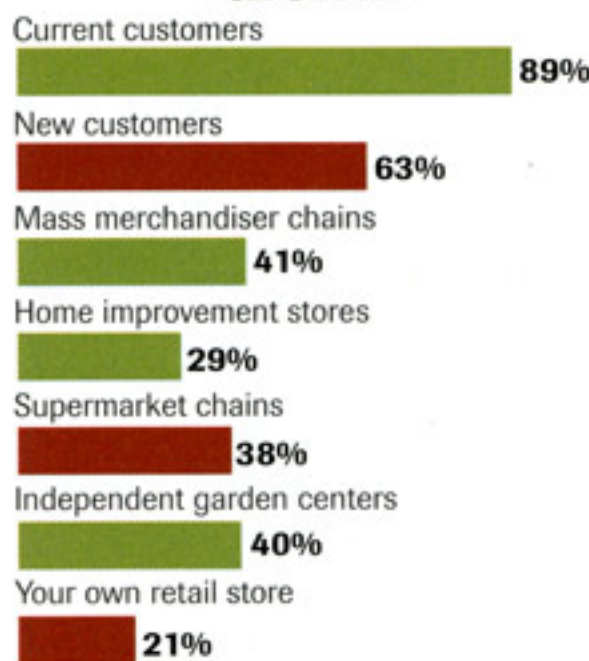
As the government is still working out how or if it will change current immigration legislation, growers are watching carefully. Two very different bills have come out of Congress, one that weighs heavily on an enforcement approach and one that is comprehensive and includes AgJOBS legislation.

Thirty percent of our respondents report having trouble finding labor. "There is not enough labor, especially for our Mount Dora facility," say Rob and Don Deleon of Deleon's Bromeliads, No. 32.

"As demand has increased in the last few years in competing industries (construction, especially in hurricane-damaged areas), both the quantity and quality of skilled labor has negatively impacted our industry," says Mindy Legler, Speedling Inc., No. 5.

But faced with the threat of an enforcement-only approach to the immi-

Opportunities For Growth



gration issue, survey respondents are nearly unanimous in agreeing that business would be operating under hardship, if that approach wouldn't

cause them to shutter their doors. In the survey, 85 percent of respondents predicted negative consequences should an enforcement-only bill pass, including increased price of product, shortage of labor, downsizing, moving production offshore or going out of business completely.

"This would have a major impact on our business, creating huge labor shortages," says Al Gerace of Welby Gardens Inc., No. 61.

One grower estimated that such an action could take 50 percent of his best workers. Another put that number at 40 percent. Three respondents use a single word to describe that situation – disaster. An enforcement-only approach would not only affect the businesses, but the consumers who rely on their products and services.

"All business in several industries would suffer," says Michael Arisco of Michael's Greenhouses. "The consumer needs to be ready to pay more for products and services affected." A small segment, 12 percent, reported enforcement-only legislation would not directly affect their business or were not sure what the effect would be.

Problem Solutions

Growers are thinking ahead and making plans in case enforcement-only legislation is passed by Congress.

"We will need more automation," says Bill Tuinier, Post Gardens Inc., No. 35. H2A and H2B programs are also popular recourses to the labor squeeze. More than 31.5 percent use H2A or H2B programs. Tagawa Greenhouses and White's Nursery report they are pleased with the programs, but Russell Weiss, CEO of Kurt Weiss Greenhouses, No. 3, has the opposite opinion.

"The government has made H2A impossible to implement after 20 years," says Weiss.

Suggestions vary on how the government can handle this situ-

ation. The majority, 65 percent, are in favor of a legal work status for migrant workers, be that a temporary work status, H2A/B programs, permanent legal status or amnesty. One quarter of respondents mention a guestworker program.

"Set up a grandfather clause so current employees can gain legal status," says Laurie Boven, Bovens Quality Plants, No. 69.

A few have suggestions for the government – "stay out of the process," "understand that our business cannot function in certain areas without immigrant workers," and a blunt "get off their a-- and do what is right."

What can our government do to ensure access to a legal workforce?

"Allow workers to apply for a work visa in a timely fashion. Don't take months to process."

– Nancy Welty, Gallup & Stribling Orchids, No. 55

"There are no labor candidates, other than immigrant workers, in the U.S. available or seemingly interested in this type of job."

– Snow Maestas, senior marketing coordinator, Paul Ecke Ranch, No. 7

"We need a way to get the labor that we need. Many agricultural companies feel they have no other choice but to hire illegal workers."

– Deleon's Bromeliads, No. 31

"Give us a guestworker program that works... Our whole economy needs an extra million workers per year to continue our current growth. Without them, we will see another Great Depression."

– Tony Godfrey, president, Olive Hill Greenhouses, No. 90

"Allow enough people to enter the country to meet the demands of labor. I like permanent status rather than temporary because it allows people to establish communities and become part of the American dream."

– Cortland Smith, president, Walnut Springs

"In light of current security needs, we, as a nation, need to secure our borders (all of them). We need more guestworkers, but they need to be accounted for."

– Richard Cartwright, vice president of marketing, Ran-Pro Farms

Outside of government involvement, less than one quarter (23 percent) are using other means to find legal labor, including staffing services, state-level programs and labor contractors.

"Communicating For Agriculture and Minnesota Agricultural Trainee Programs allow us to work with college students from abroad," says Christopher Bergen of Bergen's Greenhouses, No. 74t. Even those services that provide labor are having challenges.

"They are finding it harder to find legal employees to supply the seasonal demand for ag in California," says Nancy Welty of Gallup and Stribling Orchids, No. 55.

Who Will Manage Them?

How are our Top 100 Growers dealing with keeping qualified employees and rewarding hard work? Positive incentives are a popular technique to keep staff motivation high. Cash bonuses are offered by 82 percent of our respondents and 25 percent offer extra time or days off. One innovative idea offers scholarship after school programs for employees' children. Other benefits mentioned include steady employment, job security, insurance, 401(k), vacation and sick days.

When growers find a strong labor pool, a whole new set of issues arise – human resources. We asked growers how they recruit and groom managers. Plants aren't the only things these companies are growing.

"Growing our people to be better is a top priority in our business," says Christopher Bergen of Bergen's Greenhouses, No. 74t. Almost 30 percent of companies in our survey say they prefer to promote from within. Keeping employees sharp and in tune with the industry is important to our respondents. In-house training is the most popular type of program, with 72 percent of growers. Educational seminars and conferences are utilized by 66 percent of respondents and



TOP 100 GROWERS

SPECIAL REPORT

consultants by 48 percent.

Local Extension agents and programs are used by 35 percent and 30 percent educate employees with industry certification programs.

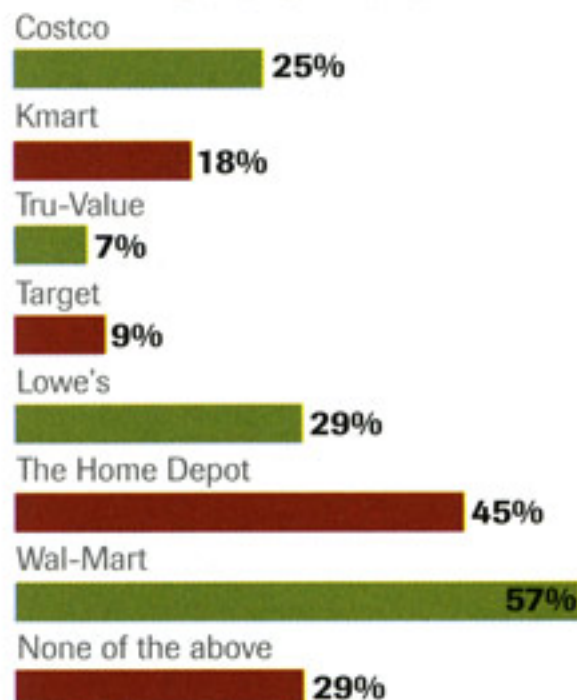
Keeping It In The Family

In an industry made up of so many

family businesses, future generations can have an great effect on the future of horticulture. Our respondents are planning ahead and preparing for the futures of their businesses. While 74 percent of respondents have a plan for succession in place, some (18 percent) do have concerns about turning the business over to the next generation.

"Yes, there are concerns," says one grower. "We are working diligently to train the next generation."

Who Are Their Customers?



"We have plans for succession, but anticipate selling rather than passing on to the next generation, as there is no one who is truly interested within the family in managing the business," says Richard Cartwright of Ran-Pro Farms.

Still, there is optimism from our re-

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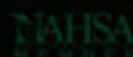


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Top 100 By The Numbers

2.76

Average turns per square foot

\$9.49

Average sales per square foot

36.5

Percentage planning expansion
in the next year

spondents about the future. A few mention their children are being groomed for succession. For some, the future is a bit farther down the road than others.

"We are a family-run business, but we are young entrepreneurs," says survey respondent Beatriz Garces of First Foliage. "We have four children but we are not worried about the next generation just yet, as we are in our mid-30s and early 40s."

"The next generation is interested, but still a bit young," says Eduard Van Wingerden of Ever-Bloom Inc. **GG**