

IOWA STATE UNIVERSITY

Cooperative Extension

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Cut Florals As Specialty Crops In Iowa: Assessing Local Market Needs and Producers of Floral Products in Central Iowa.

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I. What We've Learned From Growers Of Cut Flowers In Central Iowa

What they grow and how they grow it:

Products:

- A few growers focus on one or two flowers (peonies, or gladiolas), but most grow up to several dozen different varieties.
- A small amount of the unsold excess cut product is dried for fall and winter sales (but only directly to consumers.)
- In addition, some growers sell potted plants (perennial & annual flowers, or herbs) or fruits and vegetables. A few growers operate CSA's.

Resources Need for Production (land, time, labor, education):

Land:

- If growers rely on flowers for the majority of their business income, they grow flowers on an 1-1.5 acres. A small percentage of growers in the survey are in this position.
- If growing flowers is a small part of their farm business, the acreage devoted to flowers is generally much less than one-quarter acre.
- Very few growers use greenhouses. Those that do only use them to start seedlings of annuals that are later planted in open fields.

Time:

- Typical work season begins in February or March with the sowing of seeds indoors, and ends with the frost in October.
- Typical marketing season begins in late May and runs until September or October (ending at frost or closing of markets.)

Labor:

- Most growers use only their own labor, or perhaps the part-time assistance of one or two others (may be family members.)

- Growers who made most of their income on cut flowers reported working as many as 60 hours/week during the growing/marketing season. Growers who made less than half of their income on cut flowers usually spent less than 25 hours/week on the cultivating, harvesting, packaging and marketing of the cut flowers.

Education, preparation, and planning:

- Most growers are self-taught, through books, magazines, and by talking to other growers. Few growers have any formal education in horticulture.
- One grower took part in an internship at another successful grower's operation before commencing her own.

Grower-recommended Resources:

- The Flower Farmer, by Lynn Byczynski.
- We're Gonna Be Rich, by Pamela and Frank Arnosky
- Specialty Cut Flowers: The Production of Annuals, Perennials, Bulbs and Woody Plants for Fresh and Dried Cut Flowers, by Alan Armitage
- Flowers for Sale: Growing and Marketing Cut Flowers: Backyard to Small Acreage, by Lee Sturdivant
- Seed catalogs: (particularly Johnny's Selected Seeds of Winslow, ME), the
- Association of Specialty Cut Flower Growers
- USDA- AATRA publications (<http://attra.ncat.org/attra-pub/cutflower.html>)
- Consumer-oriented gardening books, magazines and television programs.

Key Elements for Success:

Many growers felt that no one issue stood out as critical to success, but growers who made a larger portion of their incomes from cut flowers stressed the following:

- Extensive planning prior to production
- Planning for marketing is at least or more important than planning for and learning about flower production.
- Keep good records.
- Start small.

Where and how they market their products:

Wholesale and retail outlets:

- Some sales are made to retail florists by some of the growers.
- No grower contacted has sold to wholesale florists

Direct marketing to consumers:

- Farmer's markets are the most common sales venue for local growers that were surveyed. Most popular: downtown Des Moines market, and Valley Junction in West Des Moines.
- A few growers operate CSA's and include flowers as part of the buyers' shares.

Packaging:

- All growers said consumers and retail florists demand high quality, unblemished products.
- Bunches of single species, and bouquets of mixed species are the most common package.
- Unusual or large flowers are also offered as single stems. One grower offers 'European' bunches (smaller bunches at any 3 for a specified price)

- A few growers, who make the majority of their income on flowers, cool their product after harvest. Others cool if affordable space away from other produce is available. Most do not cool their product.

II. What We've Learned From Wholesale and Retail Florists In Central Iowa

The "3 Ws": Who are their customers? What are they selling? What are they buying?

Who are their customers?

- Wholesale florist sells to independent and chain retail florists, grocery store chains, caterers, and gift shops.
- Retail florists sell directly to consumers for weddings, funerals, and other special events. Some do more weddings, some more funerals, depending on location and reputation. Other retailers, because of the size of their market and their distance from larger metropolitan areas, serve customers with a whole range of floral needs.
- Most of their orders are accepted over the phone. Customers are not likely to see flowers before purchasing.
- Very few dried flower products are purchased (market for dries peaked several years ago, according to one florist.) Some florists express disdain for dried flowers because of their fragility.
- Several retail florists mentioned the increase in cash and carry bouquets, such as those now found in many grocery stores. Competition from grocery stores is a primary concern of many traditional retail florists.

What products are they selling?

- Huge range of arranged bouquets, cash and carry bouquets, green plants, gifts and décor. Some stores also sell bedding plants and nursery stock.

What flowers are they buying?

- Wide range of cut floral products, with the more creative shops offering more unusual flowers to their customers. Any flowers with a reasonable vase life, cut at the appropriate time, and with long stems are of interest to many florists contacted.
- Some shops are always looking for unusual flowers; others have limited interest in extending their product offerings, due to perceived lack of consumer demand.
- Most will purchase directly from small growers, with their primary considerations being high quality and good value.
- Long, strong stems are important. Also important are florals that have no blemishes caused by careless handling, insects or disease. Some florists are concerned that insects be brought into the store with locally grown cut flowers, and may be reluctant to buy locally for that reason. Local growers have been dropped when they could not provide consistent quality.
- Most flowers are purchased from growers in California, Holland, Central and South America and Africa.
- Pre-cooled products are not required, but only if freshly cut and in excellent condition. Wholesaler stated that if they had been cooled at one point, they must stay that way through the entire chain of delivery.

Perceived trends in the industry and in the market:

- Smaller, less expensive arrangements seem to be more popular in recent years according to some retailers (some pointed to overall downward change in business activity since 09/11/01.) However, many felt that consumer expectation of quality, and willingness to pay for it, is still high.

- Some florists felt that green plants have become the preferred purchase for funerals. Others disagreed.

How to do business with them:

- Mailing of flyer and a preliminary phone call was recommended by most. Follow up with a personal visit with samples of available flowers.
- Contacting on Friday or Saturday not usually recommended. Work with buyer to agree on regular day for stopping by.
- Wholesale buyers often purchase up to one week out from their delivery dates. Long vase life is vital in this case.
- Some buyers will accept a minimum purchase, others will not.
- Information on care and handling of unusual varieties is appreciated, and some buyers indicated that the information was expected. Others do not need or expect it. Pictures or samples of novelty or unusual flowers would be helpful to many florists when deciding to order.

Most important attributes of successful growers:

- Consistent, high quality product. Even if flowers are priced high, they must be a good value for the money relative to other sources and past purchases of similar product. Growers must know how to grow and harvest flowers that are likely to be desirable to florists.
- Price is important, but may become slightly less so if a good relationship develops based on good reputation of grower and her/his products.
- Reliable on order fulfillment and delivery days.

Opportunities and areas for further exploration:

Blemish-free floral products and organic production methods:

- Consumers and retailers of cut florals demand a high quality product, without blemishes. Growers who wish to adhere to some degree of organic production, whether of flowers alone, or alongside vegetables and fruits, may want to weigh options and explore alternatives when planning for weed and pest problems.

There is a contrast of changing market conditions in small rural markets, and the perceived rise in impulse purchases of flowers in high traffic areas.

- Small rural markets are becoming more and more difficult for independent retailers to serve well, due to limited access to a wide variety of cut florals at a reasonable price. At the same time, cash-and-carry bouquets have become popular in high traffic grocery or discount stores. Although Iowa growers would not be able to fill all local retailers' needs year-round, an organized distribution and marketing system could be developed to serve the needs of both growers and retailers.
- Many floral retailers expressed concern over the competitive pressure they feel from high-traffic grocery stores that include full-service floral departments. The possibility of marketing fresh-cut flowers in a kiosk setting, or in a small amount of leased, shared space in coffee shops, furniture stores, gift shops, etc., was suggested by one high-volume retailer.

Information and Education needs:

- Growers of cut flowers in Iowa lack access to reliable, regional growing and marketing information.
- The highest volume growers of cut flowers who participated in the survey seem to be the ones who have also put forth the most effort in locating and using educational materials and resources. Programming and printed materials that provide guidance in what varieties to grow, how to grow

them, when to cut them, and how to handle them would be helpful to all growers, but particularly to those who want to increase production and sales.

- As with many small market farmers, some combination of physical, emotional, or financial burnout leads many growers to leave the market after only a few years. Subsequently, gaps in supply continually reappear, and diminish the competitive force that locally grown products may have obtained. Programming that aids growers in business planning, and in choosing whether or not to pursue cut flowers as a hobby or as a livelihood, could be investigated.

(Additional Points of Interest and Emphasis For the Iowa Greenhouse Growers Association membership:)

- Some cut flower producers are also growing potted floral and vegetable plants, which could result in increased membership and information exchange to the IGGA.
- Some cut flower producers are using season extenders (non-heated hoopouses) to extend season and improve products offered. Current growers of greenhouse crops might consider the benefits of cut floral products verses bedding plants and potted perennials to enhance income.
- Producers and distributors and greenhouse structures and greenhouse products can enhance markets by target cut floral producers.
- Growers should consider plants that can be marketed specifically for cut floral producers, and/or expanding product offerings to meet the needs of local producers.
- Growers should consider carrying extra inventory that can be used for cut floral products, either as greenhouse crops or field grown plants.

(Additional Points of Interest and Emphasis for Small Acreage Farmers:)

- Cut florals offer potential to supplement or supplant existing farming options, and for increasing the diversity of Iowa farms. More work needs to be done with cost-benefit analysis of different choices of crops, markets, and skills needed to produce these crops.
- Organic production of cut floral crops will because most buyers have zero tolerance for damaged or insect infested materials. However, the potential is there, even though the market value probably will not change for organic verses non-organic cut floral products.
- Cut florals offer additional opportunities for sustainable production practices by increasing product offerings of annuals, herbaceous perennials, and woody perennials (for flowers, floral greens and flowering stems.)
- Cut floral products offer creative opportunities for involving more family members in alternative agriculture enterprises through the production, design, and marketing of cut floral products.