



Yankee Woodlot®

Christmas Tree Marketing

Bulletin #7009

If you would like to maximize your returns from Christmas tree culture, think about a marketing plan that will help you achieve your goals.

You've grown Christmas trees for some eight to 10 years, and now you are ready to reap the benefits of your harvest. Sell the trees to savor the profits. Is it that easy? Well no, not exactly.

If you would like to maximize your returns from Christmas tree culture, think about a *marketing plan* that will help you achieve your goals. The dictionary defines marketing as: "1. the act or process of selling or purchasing in a market. 2. an aggregate of functions involved in moving goods from producer to consumer."

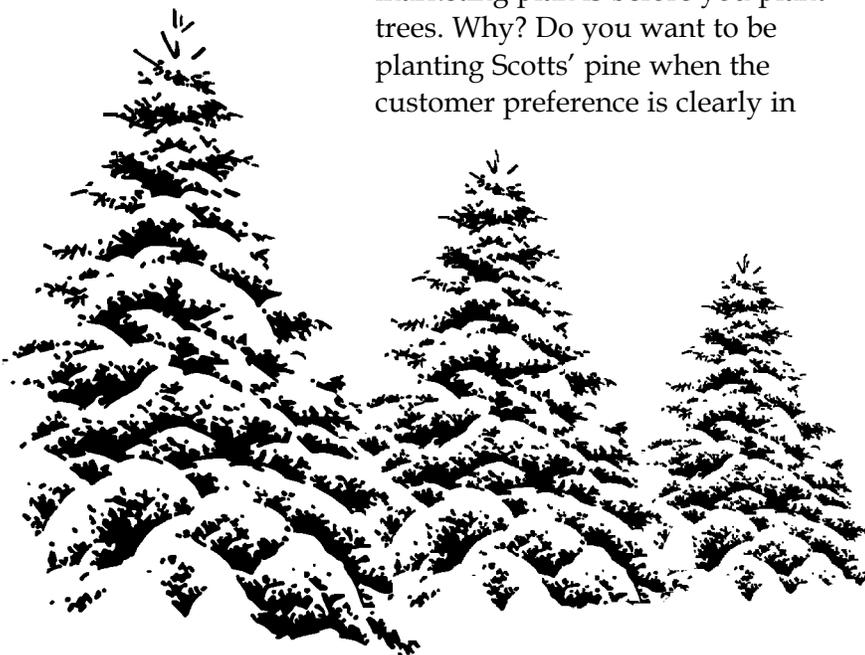
The second definition suggests there are several segments to an overall marketing scheme. A plan that will improve the eventual sale of your trees is one important phase of the process.

The best time to start your marketing plan is before you plant trees. Why? Do you want to be planting Scotts' pine when the customer preference is clearly in

favor of balsam fir? So start early with your planning and preparations for selling your trees.

As you grow your trees, are there market trends emerging that may change your plans? Does the market want bushier trees than you are growing? Are you intending to grow 10-foot trees with a wide base when the customer may be looking for six-foot trees with a narrow base? Stay alert to trends as you are growing Christmas trees, and modify your marketing plans to the best advantage.

As you approach the year before harvest, you will have to decide to sell your trees either wholesale or retail. If you sell them wholesale, who will do the harvesting and transportation to the market? If you sell retail, will you deliver to a site miles away, or in your own back yard? A modification of the retail sale is the so-called "choose and cut" method. Customers come to the site where you are growing trees and select, cut and haul out their own trees. Another possibility is the sale of live trees, which are dug from the ground and transplanted by the buyer. This is also known as "ball and burlap" in the nursery business since the roots are contained in a "ball" of soil and then covered with a wrapping of burlap.



Here's an outline of a marketing time frame:

What to do Before Planting:

You have different decisions to make, depending on how you've decided to market your trees.

1. **Explore market possibilities and contact buyers and growers.** Is it possible to line up some possible future sales even though harvest is years away? How about wreath-making during the interim period or growing some nursery stock? Perhaps you can grow seedlings for transplant stock for your own operation or for sale to other Christmas tree growers.
2. **Confer with other growers.**
3. **Choose species.**
4. **Start keeping records of activities.**

During the Growing Phase

1. **Stay alert to market trends.** Are consumer preferences changing as to height, size, etc.? Is the overall market expanding rapidly (so you should also expand) or is the market stagnant or saturated?
2. **Start deciding (if you haven't already done so) whether you will sell your trees wholesale or retail.**
3. **Continue keeping records.**

A Year or so Before Harvest

1. **Complete an inventory of the trees you have to sell.** Indicate species, quality and quantity.
2. **Who will harvest and transport?**
3. **What are the trends in market prices?**

4. **Get your records together.** Taxes on income are important considerations since more favorable capital gains rates are applicable to trees six years and older, counting from time of seed germination.
5. **Start making buyer contacts.**
6. **Make your decision on wholesale, retail, or some mix of the two.** Consider "choose and cut" as a retail option.

Year of Harvest

You have different decisions to make, depending on how you've decided to market your trees (wholesale, retail, choose-and-cut or living Christmas trees).

If wholesale marketing your trees

1. Decide how trees are to be sold:
 - a. on stump;
 - b. roadside;
 - c. baled; or
 - d. combination of the above.
2. Decide who will harvest them:
 - a. you;
 - b. buyer; or
 - c. a combination of you and buyer
3. Decide who will transport cut trees:
 - a. you;
 - b. buyer; or
 - c. a combination of you and buyer
4. Find the buyer (if you haven't already done so). Talk to possible buyers and go to association meetings. You might also advertise, attend fairs/trade shows and contact the NCTA (National Christmas Tree Association).

Set up a contract or final confirmation with a buyer (by Oct. 1). Make sure you include provisions on the offer; acceptance; get a deposit; harvest/delivery dates; who provides what (get it in writing); balance due *before* trees leave farm (certified check or cash). Have the necessary paperwork in hand before trees leave the property.

If retail marketing your trees

1. Decide where to retail:
 - a. local;
 - b. in-state (but not in your immediate area); or
 - c. out-of-state.
2. Select your site for retail lot based on:
 - a. demographics (population, income level);
 - b. traffic flow (entering and exiting);
 - c. security;
 - d. parking; and
 - e. lighting.
3. Prepare the retail lot. It should:
 - a. be clean and neat;
 - b. have signs;
 - c. have lights;
 - d. have tree display (stand straight system);
 - e. have an office; and
 - f. include inventory and storage space (foul weather cover).
4. Figure out logistics for retail lot operation, such as:
 - a. stated hours;
 - b. advertising;
 - c. keeping a full lot;
 - d. adequate help; and
 - e. customer service (loading, baling, trying down trees).
5. Consider closing-down operations, such as:
 - a. clean up; and
 - b. meeting terms of lot

rental/lease

6. Set up a system to keep records on:
 - a. daily sales — by day and date;
 - b. average dollars/tree; and
 - c. average trees/day.

Know what your trees are worth. Set your price and stick to it.

If you choose-and-cut market your trees

1. Decide where to advertise:
 - a. newspapers;
 - b. posters (to put in stores in surrounding towns);
 - c. word-of-mouth; or
 - d. free ads.
2. Design signs for at the farm and roads leading to farm.
3. Consider tagging trees. Mark (tag with plastic ribbon or label) the trees you want to sell. If you do not tag, you lose control of what remains.
4. Make ready-cut trees available:
 - a. for late-comers (after dark);
 - b. for people who find they don't want to cut their own;
 - c. during rainy, snowy, or bad weather; and
 - d. at a higher price.
5. Decide on pricing. Do you want to use a:
 - a. single price system? You will have the option to select better or poorer grades from the stand before the choose-and-cut season.
 - b. multi-price system? Price is based on size and quality. Watch for switching price tags or a buyer cutting off a larger tree (say eight feet) to get a four-foot tree.

Know what your trees are worth. Set your price and stick to it.

Consider your plans carefully and then make revisions as time and changing market conditions suggest.

If you market living Christmas trees

Consider whether there is a significant market. Will they be balled and burlapped? If not, who will dig them, and at what price? What will you do with holes left in the field after digging? Will buyer be required to level or replace holes with soil?

In summary, it should be clear by now that there are many options open to the Christmas tree grower when it comes time to sell trees. Consider your plans carefully and then make revisions as time and changing market conditions suggest.

Where to Go for Help

The Maine Christmas Tree Association is the best source of information when it comes to marketing Maine-grown trees. Contact the Maine Christmas Tree Association, Al Gondeck, Executive Secretary, RR2, Box 1792, Turner, ME 04282.

Additional Reading

These publications are available through your county Extension office.

Grading Christmas Trees, UMCE bulletin #7030

Making Balsam Fir Wreaths, UMCE bulletin #7012

Making Wreaths for Profit, UMCE bulletin #3019

So You Want to Grow Christmas Trees, UMCE bulletin #7048

Growing a Continuous Supply of Balsam Fir Wreath Brush, UMCE bulletin #7089

Your Business Plan, UMCE bulletin #3005

The U.S. Small Business Administration has many publications relating to marketing and business administration. For information on their publications, contact: U. S. Small Business Administration, 40 Western Ave., Augusta, ME 04330, (207) 622-8378. Web site at: <http://www.sba.gov>.

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