



By Dave Edenfield

# 2012: A Year of Change

Encourage change in your business now for a successful and rewarding new year.

In a few short weeks 2012 will be in the books and if you are like me you will step back and ask yourself questions like “what happened to this year” or “where did the time go?” You might even make a statement like “I did not get near as much accomplished as I had hoped for this year.” As my dad used to say, “Thank goodness for next season.” Without next season and the hope for an even better year my guess would be that some businesses would simply throw the towel in and call it quits.

I enjoy this time of the year because it gives us all a chance to reflect on what happened in 2012 and start to formalize our thoughts, plans and hopes for the year to come. Take a second to look at the definition of “reflect” and even better the word “reflection.” Webster defines it as: a thought occurring in consideration or meditation. Another definition – a fixing of the thought on something, careful consideration. As I reflect on the year 2012 I would describe it as a year of changes.

## Changes Affecting Horticulture

We certainly had changes in our industry in 2012. Continued consolidation at both the grower level as well as at manufacturing level, some of the highest freight rates in history, hottest and driest weather on record, retailers closing their doors, price pressures on both the

cost and retail side of the equation, senior management changes and reorganizations at several mass market retailers, and a conservative consumer are just to name a few of the highlights.

While those may sound negative, there were certainly many positive changes in 2012 as well — great early spring weather in several major markets, a great year for new plant varieties coming from almost all breeding companies, extension of plant brands and awareness by the end consumer including Proven Winners, Viva and Burpee Vegetables to name just a few.

Another change I noticed in 2012 was how the good companies became even better in how they approached working with their customers and delivering value in products and service.

## Changes at the Retail Level

Certainly in 2012 the world of retail has changed. The better we understand and adapted to those changes the more valuable we will be to our customers. The following list of changes came across my desk the other day and I want to share them with you.

### 1. Weekday convenience and weekend experience

Both of these are major drivers. Consumers expect retailers to provide convenience as well

as entertainment on the weekends. Retailers will need to provide both the steak and the sizzle all at one time.

### 2. Avoid the big ticket items

Consumers will continue to be frugal with their money. That said, there will be plenty of opportunities for retailers who profit from the “stay at home” trends including cooking and gardening retailers.

### 3. Social media de-cluttering as a marketing tool

Social media gurus are predicting that business people will start analyzing which social media channels are really working for their business. They will discard some and focus on others.

### 4. Video and pictures will grow as marketing tools

Business will be putting more videos and more pictures online to sell their story to consumers. This will be a great area to learn new skills.

### 5. Fewer, but better, staff

Retailers have forgotten how important their people are and are not spending any time

◀ continues on page 13

## editorial

Editorial Office **847.391.1019**  
**Editorial Director**  
 Tim Hodson  
*thodson@sgcmail.com*  
**Managing Editor**  
 Jasmina Dolce  
*jdolce@sgcmail.com*  
**Retail Editor**  
 Peter Mihalek  
*pmihalek@sgcmail.com*  
**Graphic Designer**  
 Kate Bauer  
*kbauer@sgcmail.com*  
**Custom Media Manager**  
 Todd Loesch  
*tloesch@sgcmail.com*  
**Consulting Editors**  
 Visions Group  
*Jim Barrett and Dave Edenfield*

## advertising

Sales Office **847.391.1056**  
**Vice President, Group Publisher**  
 Bob Bellew  
*bbellew@sgcmail.com*  
**Integrated Media Consultant**  
 Amanda McAdam  
*amcadam@sgcmail.com*  
**Integrated Media Consultant**  
 Kimberly Sammartino  
*ksammartino@sgcmail.com*  
**Classified Advertising Manager**  
 Donna Aly  
*daly@sgcmail.com*  
**Sales & Marketing Associate**  
 Jill Smith  
*jsmith@sgcmail.com*

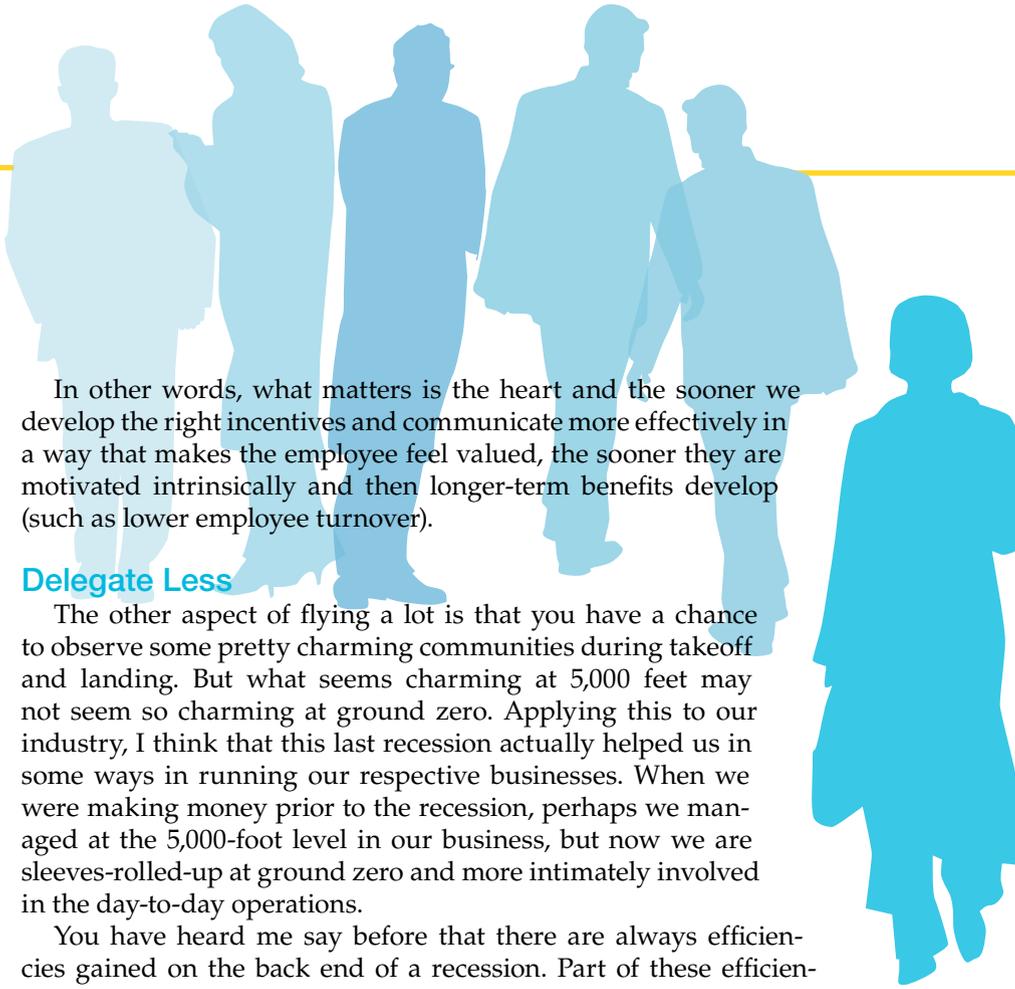
## staff

Circulation Office **847.391.1042**  
**Director of Audience Development**  
 Doug Riemer  
*driemer@sgcmail.com*  
**Director of Creative Services & Promotion**  
 Sandi Stevenson  
*sstevenson@sgcmail.com*  
**Advertising Coordinator**  
 Michelle Pak  
*mpak@sgcmail.com*  
**Vice President, Events**  
 Harry Urban  
*hurban@sgcmail.com*

## ad index

Advertiser	Page
Big Grower Executive Summit	6-7
Jiffy Products	15
MasterTag	2
Sakata Seed America	11
Summit Plastic	9
www.GPNmag.com	Back Cover

GPN accepts no responsibility or liability for the validity of information supplied by contributors, vendors, advertisers or advertising agencies. Reproduction of contents forbidden. Copyright 2012.



In other words, what matters is the heart and the sooner we develop the right incentives and communicate more effectively in a way that makes the employee feel valued, the sooner they are motivated intrinsically and then longer-term benefits develop (such as lower employee turnover).

### Delegate Less

The other aspect of flying a lot is that you have a chance to observe some pretty charming communities during takeoff and landing. But what seems charming at 5,000 feet may not seem so charming at ground zero. Applying this to our industry, I think that this last recession actually helped us in some ways in running our respective businesses. When we were making money prior to the recession, perhaps we managed at the 5,000-foot level in our business, but now we are sleeves-rolled-up at ground zero and more intimately involved in the day-to-day operations.

You have heard me say before that there are always efficiencies gained on the back end of a recession. Part of these efficiencies are related to the belt-tightening we do during tight times, but more importantly, I think they result from our being more hands-on with the intimate details of the business. We delegate less and are more involved in the affairs of the business.

We also pay a lot more attention to the state of economic affairs in the wake of troubled times. I have been quite pleased with the quality of questions I have received from growers over the past five years. It indicates that they are at least reading more or paying more attention to economic news being disseminated.

One word of caution, however, when studying economic trends — it's important to know enough to know the difference. Growers must not, under any circumstances, let what they hear on the news shape their strategic thinking. Read incessantly and synthesize from several different sources.

Uncertainty that stems from a post-recession climate yields hesitancy in some, but it also represents a time of opportunity. We have access to some very cheap money right now, so if there are strategic investments that need to be made, there will be no better time to do so. Of course, getting the right people on the bus and investing in them makes very good strategic sense right now as well. ■

*Charlie Hall is Ellison Chair in International Floriculture in Texas A&M University's department of horticulture. He can be reached at [charliehall@tamu.edu](mailto:charliehall@tamu.edu).*

## BIG GROWER | inside the box

► continued from page 14

on training them to be the best they can be at helping customers. Employee and customer interaction are key for success.

### 6. Network with other businesses

Businesses simply cannot survive on their own. It is critical to network within both your industry as well as community.

### 7. Price flexibility

Research shows that price can be a driver. Businesses with price flexibility will continue to grow. This is not to be confused with discounting. This really refers to creative special offers and everyday special values.

### 8. Seasonality has reappeared

Retailers have re-embraced the seasons and are using it as a marketing opportunity.

### 9. Consolidation will continue

That means there will be fewer businesses that do what you are doing. Those businesses that survive will be stronger and will be in place to take advantage of the market.

### Some Basic Fundamentals

As I reflect on our many friends and clients in the industry, I am reminded of where they started. Most of them have roots that reach back to a family business. In working with family businesses some of the fundamentals have not changed and it's important that we reflect on them as well:

- Treat all employees as family. It will result in everyone working well together for the benefit of all and towards a common goal.
- Never compromise family values.
- Understanding the value of customer service and if we take care of our business,

the business will take care of the family and employees.

- Provide personal service.
- Appreciate and nourish longstanding customer relationships.

Last, I am reminded of an acronym that I heard a speaker share many years ago:

VIRTUE — Vision, Integrity, Respect, Understanding, Excellence.

Maybe a goal for 2013?

I hope you will enjoy your holidays and I hope you will take the time to reflect on your business. ■

*Dave Edenfield is president of Visions Group LLC, a solutions group providing marketing, management and production assistance to the green industry. He can be reached at [dave@visionsgroupllc.com](mailto:dave@visionsgroupllc.com).*