

Surviving and Thriving in the New Global Economy®

Brian Minter

Minter Gardens, 15 Young Road, Chilliwack, BC, V2P 4V4 Canada

Email: bminter@mintergardens.com

Although our industry has been challenged by international economic and political events throughout its history, the next few years are going to force us to re-evaluate everything we do. Global integration has grown to the point where even a minor disruption affects the entire worldwide economic system, and a major crisis not only disrupts but also forces re-alignments and paradigm shifts in how and with whom the world does business.

For years now significant changes have been taking place in many arenas, but as these small shifts in thinking progress, they often bump into each other, creating greater awareness of each other and revealing an interrelationship not thought of before. The synergy of all these smaller and larger changes coming together creates some of the major shifts that we are now beginning to witness. For example, extreme weather all over the globe has more folks around the world believing the cause to be global warming, triggered by an excess of carbon in the atmosphere. The majority public opinion is that industrial pollution and exhaust from automobiles and two-stroke engines are major contributors to this problem.

For much of the population the double-edged-sword reaction is to minimize the use of their automobiles, drive less polluting cars, and find other means of transportation. Folks are also questioning the purchase of products from heavily polluting manufacturers, and there is a small, yet growing, willingness to pay more for products produced in a more environmentally friendly way. Many people listening to environmental groups are looking to purchase products that leave the fewest carbon footprints. A severe storm in Europe can result in a homeowner in Vancouver, British Columbia, deciding not to include a lawn in their landscaping because of the pollution spewing from a two-stroke lawnmower. Looking at the big picture, we need to be very aware of how a changing world will affect the demand for our current products

High-density, smaller-space living, especially in North America, is creating a huge shift in the purchasing of plants. Surprisingly, even the editor of the British Royal Horticultural Society magazine, who on viewing new condo units, was aghast at the lack of space for any plants. There are still millions of homes with various sized gardens, but the ongoing trend is certainly towards smaller gardens and lower maintenance as time poverty rules people's lives.

The one savior in all this is the outdoor room. It's ironic that the trendy new "room" in our homes today is the one outside. Better home and garden shows feature outdoor kitchens and exterior living and entertainment areas with amenities like fireplaces. Traditional gardens are being replaced by outdoor living rooms where plants have become accessories or decorations — in designer pots of course! As a price reference, according to the Washington Post, the price 2 years ago for a designed and installed outdoor living area ranged from US\$60,000 up to US\$100,000 for outdoor rooms with water. The article was about how gardening in America was in decline but being saved by the accessorizing of outdoor rooms.

Population demographics present another serious challenge to our industry. As the "boomer" generation retires and moves on to their soft adventure vacations, mo-

tor homes, golf getaways, and whatever else they are spending their money on, they are being followed by people from Generation X, ages 28 to 42, and from Generation Y, ages 10 to 27. In the U.S.A. there are about 160 million of these younger folks who, for the most part, live in urban areas, and are now two generations removed from the land. There's a huge disconnect to our industry which is essentially our fault. We haven't made a dent into their world of technology. Virtually no aspect of gardening shows up on their radar. Ipods, PCs, and the latest multi-tasking Blackberry are where their interests lie. They encircle their lives with their kids, close family, and friends and are connected to the outer world through You Tube and Facebook. They shop at Target whose motto is "expect more, pay less"; they love Starbucks for their customized drinks; and they like Apple computers because they have been consultative. To young folks, who make up over half the population worldwide, we are not relevant to their lives.

Cost relevance is becoming huge in today's economy where the cost of energy, housing, transportation, insurance, taxes, clothes, food, and entertainment has taken its toll on disposable incomes. In economic terms we have an "elastic commodity." No one needs our products to live — they are luxury purchases. With fewer disposable dollars, plants are most likely to take the biggest hit unless we can position them into a "need" rather than a "want." Major manufacturers and large agricultural commodity groups position their products into people's lives through effective marketing campaigns. As an industry, certainly in North America, we do essentially nothing. Ironically, gardens, gardening, and plants have virtually everything folks need to survive and to be physically fit and in a great state of mind. We just don't get that message out.

Keeping our costs to a minimum is something at which our industry has excelled. In a world of rising import costs, the wholesale level of plants has remained relatively flat in North America. Technology transfer and innovation have been the key drivers here. We have quite an amazing industry. The next step which is happening worldwide, especially in Canada, is the movement of business to countries with less expensive labor and energy costs. At an elevation level of 7,000 ft even countries near the equator, like Uganda, are fabulous growing environments. This is a huge and growing trend. There is also tremendous industry consolidation going on particularly at the breeding level.

In North America and to some degree in Europe, we are quite insular in our approach to the world. During a buying trip to China last November, I was in awe of the dynamic changes and the speed with which they are happening. Visiting several factories and speaking with executives and workers, I was certainly impressed with their work ethic and their desire to get ahead and make a better life for their children. There was also a clear sense of an enormous potential consumer society looking ultimately for a European or North American lifestyle. India, and in fact all of Asia, are rapidly emerging societies with an insatiable desire for a much better lifestyle. With well over half the world's population, there is an incredible although cautious opportunity.

The overriding trump card in the world economy is the many complex issues concerning the environment. Being the "green industry," we should be the ones providing leadership in every facet. By recycling plastics, growing in biodegradable mediums, using organic nutrients and integrated pest management, composting, adapting new heating and cooling technology, and recapturing water, we can not

only produce environmentally friendly products for the world but also do it in such a way as to leave a very light carbon footprint.

The world is looking for people and industries to take a leadership role, and we're the ones with the most obvious potential. When I look at great programs like Canada Blooms and America in Bloom where key industry players have instilled a sense of community pride in beautification, as well as promoting and bringing dollars into our industry, I think to become the catalyst we should tweak that just a little to "Greening Canada" or "America in Bloom and Green." We should provide leadership with low maintenance eco lawns and eco friendly shade trees for both small spaces and cities. *Garden World* (BBC) magazine had an article on the research done by the University of Manchester where technically correct tree planting reduced summer air temperatures by 8 °C. The right tree in the right location can provide the equivalency of two air conditioners working 8 h a day. We have the products to counter the global warming trend but we're failing to communicate that on a worldwide level. We are providing many new plants but we need greater emphasis on drought tolerance, extreme heat and cold zoning, lower maintenance, and pest resistance. The demand for these types of plants will most certainly grow for home, city, and commercial planting.

We also need to quantify plants on a matrix in terms of their positive or negative impact on the environment. Invasive, high maintenance, and low pest-resistant plants need to be identified and high oxygen-producing plants need to be championed. We have a moral responsibility to breed more environmentally beneficial plants and to create public awareness of their contribution to the environment.

The world, its people, and its interrelated economies are changing at a breakneck pace. Industries and industry leaders who comprehend these dynamic changes and who have a vision of where things are going, are the ones who will reap the rewards. Those who don't will either quickly or slowly disappear.

I am incredibly proud to be a part of an industry that thrives on change. We do, however, have to understand the ramifications of new demographics, global warming, and new world players. We have only a very narrow window to grasp the environmental torch, understand and connect the next generations to plants and reposition our industry as the place to go for greening the planet and lifestyle enhancement.

In spite of the many challenges we face in so many areas, I see a very bright future. As parents of the boomer generation pass away, the largest wealth transfer in the history of the world is taking place. Technology is moving so fast and is so intrusive in personal lives that there is going to be a huge pendulum swing back to nature and nurturing the planet. Growing one's own fresh tasting food and the need for the sensory refill of natural fragrance, touch, sound, and beauty cannot be overstated. We hold the keys to this vault.