

Growers Talk Business

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Rain, Rain, Go Away

Bill Swanekamp



I'm not the type who's usually found sitting in a corner reciting a nursery rhyme, but this year was an exception. Subconsciously, I caught myself repeating the famous words in my title, hoping it would have some effect on the miserable weather in the Northeast this spring. To my chagrin—but not surprise—it did not. (It's somewhat ironic that we're in the nursery business and I was reciting nursery rhymes. But I digress.)

I'm told we had a record number of rainy days this spring, from April to June. Yet, back in April one of our nursery customers walked in the office and told me the State of New Jersey was considering imposing water restrictions at the end of April because we were eight inches behind in rainfall since the beginning of the year. My response was, "Let's hope that doesn't happen!"

Little did I know what we were in for over the next two months. Not only did it rain almost every day in May, but it was cold and windy as well. We had frost on May 20 in many parts of the Northeast. Yet despite that, I found this comment on the internet at mycentraljersey.com: "Even though raincoats and umbrellas have been needed nearly every day in May, rainfall for the first four months of the year has been well below normal in New Jersey. The first three months of 2009 were the second driest on record. State climatologist Dave Robinson says the whole state is dry when you look at the last 90 days."

It couldn't get any worse ... or so we thought. Our hope was that, once June rolled around, the weather would break and sales would rebound.

June had its own surprise for us: Rain on 21 of 29 days. Now, we aren't talking about just some light drizzle, but buckets of rain, day after day after day. We had so much rain that the rain deficit became a surplus. As a result, sales of finished crops were down for us, but even worse, the garden centers suffered the most. I've heard stories of sales being off 30%, with most in the 15% range. Plants have just rotted on the benches. This is not the kind of spring we were hoping for, especially on top of the economic difficulties we've had to endure for the past year.

All this brings me back to my last column, in the May issue, where I suggested it might be wise to take a

conservative approach to spring production. We cut back our finished production from 10 to 20% for the spring and up to 50% for the summer crops. How did this work out? Thankfully, we sold 98% of our spring crops at full price and about 90% of our summer crops as well. If we had thrown caution to the wind and filled every square inch of space, we would have had to dump much of our profit. In my opinion, this is the worst case scenario: bad weather, a bad economy and too many plants to sell.

Now, I understand that many parts of the country had good weather and a correspondingly good season. This, then, seems to answer the age-old question about whether or not our industry is recession-proof. It appears we are close to recession proof. Unfortunately, we can't make that judgment in the Northeast, since the bad weather was the overriding factor.

Maybe my friend John Van Wingerden is right about something after all. He maintains this: "Our recession is bad weather."

I'm beginning to be a believer in this, as well.

The next looming question is: What do we do for the fall? I wish I had the answer to that question, but it seems a conservative approach might be best. We are cutting our fall production about 10% and hoping the weather will cooperate.

With this thought in mind, my new "nursery" rhyme is this

Rain, rain, go away...

Come again another day,

But, please, NOT IN MAY!

Bill Swanekamp is president of Kube-Pak Corp., Allentown, New Jersey.