Profitability and Staff Training

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YOUNG PLANT MANUFACTURING

Goal: Grow more profitable widgets through benchmarking, training and logistics

Benchmarking – Income statement
2010-11, 9 young plant growers

Benchmarking – Income statement
2010-11, 9 young plant growers

Revenue

- Bedding 28%
- Baskets 4%
- Potted 17%
- Young plants 41%
- Retail 3%
- Other 7%
- URC 0%

Production costs

- Overhead Costs 30%
- Direct Costs 40%
- Labor Costs 30%
Benchmarking – Income statement
2010-11, 9 young plant growers

**Direct Costs**
- Agrichemicals: 2%
- Hard Goods: 4%
- Fertilizers: 2%
- Packaging: 6%
- Containers: 12%
- Growing Media: 6%
- Seeds & Plants: 68%
- Other: 0%

**Labor Costs**
- Health insurance & medical: 8%
- Managerial, secretarial, sales labor: 27%
- Production, maintenance, and shipping labor: 65%

Benchmarking – 2010 Shrinkage
Big Grower survey results (Charlie Hall)

**Overhead Costs**
- Other: 19%
- Electricity: 5%
- Heating Fuel: 11%
- Other Utilities: 5%
- Depreciation and Interest: 19%
- Insurance: 4%
- Equipment: 7%
- Land rental and tax: 8%
- Shipping: 22%

**Internal shrink**
- Average: 5.0%
- Median: 5.0%

**Retail shrink**
- Average: 17.1%
- Median: 19.0%
Benchmarking – 2010 Shrinkage
FRA survey results, 11 young plant growers

Benchmarking & Costing Tools – We have lots!
• OFA Bulletin Series (see floriculturealliance.org)
• Annual, Seasonal, Liner, Space Use, Shrinkage Excel spreadsheets are available in floriculturealliance.org
• Back Pocket Grower mobile costing apps

Benchmarking – What next?
• Shrinkage & space
• Annual versus seasonal cost & revenue
• Online costing course available Aug 2014

• Identify key contact person for follow up

Manufacturing (B) Training
Three levels
1. Production staff
   – Video
   – Back Pocket Grower
   – Tools
Manufacturing (B) Training

2. New grower
   - E-Gro University (e-Gro.org)

Manufacturing (B) Training

2. New grower
   - Greenhouse Management online for credit course
     (Michael Evans, Univ of Arkansas)

BackPocketGrower.com

• Yup, there’s an app for that..

• Funded by Floriculture Research Alliance partners (thru Univ of Florida)

• Designed by Dr. Bruce MacKay, thomasBaine Ltd., New Zealand
FRA account of Back Pocket Grower

- Go to backpocketgrower.com with your browser.
- Looks best on a mobile device.
- Log in (current password FRA123)

Three components

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<thead>
<tr>
<th>Training</th>
<th>Tools</th>
<th>Crop Plans</th>
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<tbody>
<tr>
<td><img src="image1" alt="Training" /></td>
<td><img src="image2" alt="Tools" /></td>
<td><img src="image3" alt="Crop Plans" /></td>
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Examples of accounts

Knox Nursery
- Internal crop training account
- Uploading in-house crop plans for young plants (seed and cuttings)

Examples of accounts

Knox Nursery
- Have a unique password, which accesses their info
Examples of accounts

Knox Nursery
• They determine the product lists, search and information fields, and information in each field

Examples of accounts

Pleasant View Gardens
• Marketing account
• Culture guide information for their products
• Goal is customer support
• Will be linked with QR codes in advertising, and to their website

BackPocketGrower.com
• Our prototype marketing account: Pleasant View Gardens

Follow Up on Back Pocket Grower
1) Contact your university contact and Bruce MacKay (bruce@thomasbaine.com) to set up an account and work out funding

2) Decide what kind of account(s) you want to set up

3) Start getting content information organized