

Nursery outlook optimistic despite 2022 sales drop, expert says

By **MATEUSZ PERKOWSKI**
Capital Press

PORTLAND — Plant sales have dropped since the height of the coronavirus pandemic but the economic outlook for nurseries remains encouraging, according to an industry analysis company.

Consumers are on track to spend about 4% less on plants in 2022, but the slight drop comes after two years of vigorous growth in retail plant sales, said Danny Summers, managing director of the Garden Center Group, a financial consultancy firm.

The average sale value per transaction has increased by nearly 8% this year, owing partly to inflation, but the number of transactions is down more than 11%, Summers said.

However, it's likely that unfavorable spring weather across much of the U.S. shortened the peak sales season, which accounts for the decrease in transactions, he said.

"My guess is you didn't lose customers, they just didn't come as often," Summers said Aug. 24 during the Farwest Show, a nursery industry conference in Port-



Mateusz Perkowski/Capital Press

Danny Summers, managing director of the Garden Center Group industry analysis firm, speaks with Fred Swisher of Bend Pine Nursery at the Aug. 24 Farwest Show in Portland, Ore.

land, Ore.

Restrictions aimed at slowing the spread of the COVID in 2020 spurred demand for nursery stock among consumers, who'd received federal economic assistance but had limited ways to spend it.

Total plant sales in the U.S. grew by roughly 25% in 2020 while more than doubling the average profit margins for retailers, Summers said. The industry was cheered by finding many

new, young customers but wondered whether the trend could be sustained.

"We were worried whether they'd come back," he said.

Despite loosened COVID restrictions in 2021, retail plant sales still grew another 12% that year, reassuring the industry that enthusiasm for gardening was more than just a passing fad, Summers said.

Though the pandemic

accelerated the trend, the millennial generation's love affair with plants began before anyone had heard of COVID, he said. These younger consumers were noted for becoming "proud plant parents" before they began getting married and having children.

"This started pre-COVID," Summers said.

The millennial generation may represent an "even more devoted customer

base" than the boomer generation, whose members are now often entering retirement, Summers said. The boomers have sustained plant sales for a half-century, but are "easily distracted" by other spending options.

Wholesale nursery producers are also well-positioned, since they supply garden centers, as long as they're able to ensure a "consistent supply," which has been challenging during the pandemic, Summers said.

Garden centers that focus on plant sales — rather than "hardware" — are associated with higher profit margins, he said. The Garden Center Group recommends that 70% of a retailer's revenues should be generated by plants, while the other 30% should consist of pots, soil, fertilizers and other items that support plant sales.

People may buy plants several times a year but only purchase bigger-ticket items once or twice, reducing the profit potential, Summers said.

Despite the positive forecast, Fred Swisher of Bend Pine Nursery in Bend, Ore., said he's "more defensive" about the

outlook in 2023 due to rising interest rates and other factors.

Not only do higher interest rates hurt home sales, but consumers are now able to spend money on travel, restaurants and concerts, he said.

Swisher said he doesn't anticipate a downturn as serious as the Great Recession, which put many nurseries out of business, but he also doesn't expect the stellar growth to continue as consumers tighten their purse strings.

Pete Brentano of Brentano's Tree Farm in St. Paul, Ore., said he's "cautiously optimistic" about the industry's prospects, partly because government agencies are investing in planting trees.

The nursery industry's situation is different than before the Great Recession, when there were many relatively new entrants to the business, Brentano said. Labor constraints have lately prevented a similar surge in nursery stock production.

"If I had a piece of ground that I was thinking about putting something on, I wouldn't think about nursery stock," he said.

Klamath Basin to receive \$26 million from federal infrastructure package

By **GEORGE PLAGEN**
Capital Press

WASHINGTON, D.C. — Millions of dollars in federal funding is beginning to flow into the drought-stricken Klamath Basin that will be used for a variety of projects to improve water quality, irrigation efficiency and stabilize populations of endangered fish.

The U.S. Department of the Interior previously earmarked \$162 million over five years for the basin. It comes from the \$1.2 trillion infrastructure bill passed in 2021.

Officials began the rollout of \$26 million on Aug. 23, calling it a "historic" investment for the region that has endured decades of conflict over water management for farms, ranches and several species of endangered fish.

Interior Secretary Deb Haaland said the watershed straddling the Oregon-California border has long sustained tribal communities, productive agriculture and abundant fish and wildlife thanks to clean water, healthy forests and fertile land.

However, Haaland said recent water scarcity has put a tremendous strain on the area's fishing, farming and environment.

"With millions of dollars being invested in water and habitat resilience from President Biden's Bipartisan Infrastructure Law, help is on the way to restore this once abundant ecosystem for the benefit of all its inhabitants, human or otherwise," Haaland said in a statement.

A breakdown of the funding shows \$10 million will go toward expanding the Klamath Falls National Fish Hatchery to increase rearing capacity for two species of critically endangered sucker fish found only in Upper Klamath Lake.

The species, known as C'waam and Koptu, are central to the Klamath Tribes' history and culture. At least one population of C'waam has plummeted to just a few thousand surviving individuals, according to tribal estimates.

When completed, the hatchery expansion will boost rearing capacity to 60,000 fish in an effort to stabilize rapidly dwindling populations.

Another \$16 million will go toward other restoration projects — including more than \$2.6 million for improving wetland habitat and irrigation efficiency at the Lower Klamath and Tule Lake national wildlife refuges, key stops for migratory birds and waterfowl along the Pacific Flyway.

The Klamath Tribes will also receive \$913,786 for their salmon reintroduction program, and \$875,061 to expand their own sucker-rearing effort.

Finally, the Bureau of Reclamation will collaborate with the National Fish and Wildlife Foundation to fund 10 grants totaling \$2.2 million to improve fish and wildlife habitat as part of two programs — the Klamath River Coho Restoration Grant Program and the Trinity River Restoration Program.

Both programs aim to enhance coho recovery in the basin by removing fish passage barriers and providing cold, clean water for salmon to thrive.

Lawmakers from Oregon and California are hailing the package. Sen. Alex Padilla, D-Calif., called funding for the basin a "game-changer for water supply and fishery health."

Sen. Ron Wyden, D-Ore., said the investment comes as welcome news amid extreme drought.

"With no rain in immediate sight this summer, there's obviously much more work to be done during this brutally tough water year," Wyden said. "But I'm gratified the Bipartisan Infrastructure Law has generated these federal resources for species recovery and habitat restoration to make sure every precious drop of water goes as far as possible in the basin."

Court allows ag to intervene in gray wolf case

By **CAROL RYAN DUMAS**
Capital Press

The 9th U.S. Circuit Court of Appeals last week overturned a lower court's ruling that prohibited the American Farm Bureau Federation and groups representing ranchers from defending a Trump administration decision to take the gray wolf off the list of endangered species.

With the reversal, the Farm Bureau, National Cattlemen's Beef Association, Public Lands Council and American Sheep Industry Association will be allowed to appeal a decision from the lower court that vacated the delisting of the gray wolf in February.

Defenders of Wildlife and five other environmental groups filed the lawsuit in January 2021 against the Trump administration's removal of Endangered Species Act protections for gray wolves in most of the lower 48 states.

In its ruling last week, the Court of Appeals found the district court abused its discretion by denying Farm Bureau and the ranching groups permissive intervention in the case.

Zippy Duvall, Farm Bureau president, said AFBF appreciates the Court of Appeals for recognizing agriculture's interest in defending the delisting of the gray wolf.

"Farmers and ranchers share the goal of a healthy and thriving ecosystem and when the gray wolf exceeded recovery goals, it became an Endangered Species Act success story," he said.

"With populations now thriving, management of the species should be the responsibility of the states, which can more effectively determine the most appropriate actions to manage gray wolf populations," he said.

Kaitlynn Glover, executive director of PLC and NCBA natural resources, said the gray wolf is clearly recovered.

"Livestock producers are



IDFG

A gray wolf

directly impacted by the species management decisions made by the U.S. Fish

and Wildlife Service, especially when it comes to species with significant federal

footprints," she said.

"The decision to allow the coalition to intervene in this case demonstrates what we have known all along: livestock producers deserve to have their voice heard on delisting the gray wolf," she said.

Peter Orwick, executive director of the American Sheep Industry Association, said his group is pleased with the decision to allow the agricultural organizations to actively participate and seek a positive legal decision that supports farmers and ranchers.

PREVENT DAMAGE TO YOUR CROPS

with Trusted Products from the World Leader in Rodent Control Technology

PCQ Ag PELLETED BAIT

Restricted Use pesticide for control of California Ground Squirrels, Meadow & Pine Voles, Rats and Mice

Not approved for the control of Meadow and Pine Voles in the State of California.

Broad label for a variety of baiting situations*, including in and around Fruit Tree Orchards (apply after harvest)

Versatile, durable pelleted bait

PCQ AG is registered for sale in the following states: WA, OR, NV, MI, PA, MA, VA, NC, GA, CA, ID



NOW REGISTERED IN CA

For more information, contact your local Motomco Territory Manager OR your local crop input supplier

PCQ Ag is a Restricted Use pesticide for retail sale to and use only by Certified Applicators
*See product label for complete application instructions

MOTOMCO

THE WORLD LEADER IN RODENT CONTROL TECHNOLOGY®
www.motomco.com • (800) 418-9242

FRP PIPE FOR IRRIGATION

30% less cost than Steel and PVC
FRP Pipe is as strong as Steel and smooth as PVC
NEW - Fiber Reinforced Plastic

IRZ ENGINEERING™ & CONSULTING

CALL: 208-995-5125 | EMAIL: WAYNED@IRZ.COM

Benefits of FRP:

- High pressure 400 PSI
- Last over 100 years
- Gasketed – easy to install
- Sizes – 20" to 144" diameter