

GREEN INDUSTRY NEWS RELEASE

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New National Study: Environmental Horticulture Industry One Of The
Fastest-Growing Segments Of U.S. Agriculture

By Chuck Woods

July 14, 2005 / Photo available at <http://news.ifas.ufl.edu>

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GAINESVILLE, Fla. --- The nationwide boom in housing and other construction associated with urban development is driving one of the fastest growing segments of U.S. agriculture, according to a new economic study by the University of Florida and the University of Tennessee.

"The \$147 billion environmental horticulture industry - also known as the 'green industry' - is not only one of the nation's fastest-growing businesses, but it continues to expand even during recessionary periods," said Alan Hodges, an economist with UF's Institute of Food and Agricultural Sciences and one of three authors of the national study.

He said the research is the first to evaluate the economic impact of the green industry for the entire United States, and it shows how the industry contributes to personal income and job growth in local and regional economies.

Nationwide, the industry generates a total of \$147.8 billion in output or sales, 1.9 million jobs, \$64.3 billion in labor income and \$6.9 billion in indirect business taxes. The industry generates \$95.1 billion in value-added impacts, which represent the value of output less the value of purchased inputs used in the production of goods or services for final consumption.

The industry consists of a variety of businesses involved in production, distribution and services associated with ornamental plants, landscape and garden supplies and equipment, Hodges said. It includes wholesale nurseries, greenhouses and sod growers as well as landscape architects, contractors and maintenance firms, retail garden centers and various other retail stores selling plants and garden supplies.

In addition, he said the industry is linked to urban forestry by providing plant material and professional personnel for growing, maintaining and managing city trees.

Besides Hodges, those participating in the study include Charles Hall, an agricultural economist at the University of Tennessee in Knoxville, and John Haydu, an agricultural economist at UF's Mid-Florida Research and Education Center in Apopka.

Hall said results of the study will help legislators and other decision makers understand the economic importance of the environmental horticulture industry. "There are several key labor, emissions and water-related issues that are currently being debated, and the results of this study will help clarify the impact of various policy alternatives," Hall said.

Robert Dolibois, executive vice president of the American Nursery and Landscape Association in Washington, D.C., said the study shows how the green industry is expanding its contribution to the economy and improving the nation's managed landscapes on a massive scale.

"It is worth noting that a dominant portion of this industry's activity is conducted by thousands and thousands of privately held, small businesses," he said. "They are a significant engine for creating new jobs, and the industry is a gateway of opportunity for entrepreneurs nationwide.

"With the nation's demographics driving this growth, we can expect even larger numbers in future studies, as long as the industry has access to a legal and sustainable work force," Dolibois said.

For the production and manufacturing sectors, including nurseries and greenhouses, lawn and garden equipment manufacturers, and greenhouse manufacturers, the study shows the total output impact was \$34.6 billion. These sectors created 300,677 jobs with a value-added impact of \$20.4 billion.

For the horticultural service sectors of landscape services and landscape architects, the total output impact was \$57.8 billion. These sectors created 753,557 jobs with a value-added impact of \$39 billion.

For the wholesale/retail trade sectors, the total output impact was \$55.5 billion, generating 910,104 jobs and a \$35.3 billion value-added impact.

In terms of employment and value-added impact, the largest individual sectors were landscaping services, generating 704,875 jobs and \$35.6 billion in value-added; lawn and garden stores (347,916 jobs and \$14.8 billion); nursery and greenhouses (261,408 jobs and \$18.1 billion); florists (200,461 jobs and \$4 billion) and building material supply stores (123,591 jobs and \$6.5 billion).

Other sectors covered in the study included general merchandise stores with a value-added impact of \$4 billion, landscape architects (\$3.5

billion), lawn and garden equipment manufacturers (\$2.6 billion), lawn and garden equipment wholesalers (\$2.7 billion), wholesale flower, nursery stock and florist suppliers (\$1.9 billion), and food and beverage stores (\$1.4 billion).

Regionally, the total value-added impact of the green industry was the largest in the Midwest with \$19.2 billion, followed by the Pacific (\$18.4 billion), the Northeast (\$17.9 billion) and the Southeast (\$13.5 billion).

The largest individual states in terms of value-added impact were California with \$13.7 billion, Florida (\$7.1 billion), Texas (\$6.1 billion), Illinois (\$4.3 billion), Pennsylvania (\$3.7 billion), New York (\$3.5 billion) and Ohio (\$3.5 billion).

The research was supported by a grant from the U.S. Department of Agriculture's Forest Service and its National Urban and Community Forestry Advisory Committee, along with funding from the American Nursery and Landscape Association in Washington, D.C., and the Professional Landcare Network (PLANET) in Herndon, Va.