



By David Edenfield

“When the going gets tough, the tough get going.” This has never been truer than today.

By the time you see this edition of *Big Grower*, we will have elected a new president. No matter how you voted, win or lose, a new leader will be guiding this great country for four more years. The big issue facing you and me in the next four years, clearly, will be how to manage these current economic challenges.

The front cover of *U.S. News & World Report* on Oct. 13, 2008, asked two great questions: “How scared should you be?” and, in small print, “How bad a recession?” We will undoubtedly have to make some very tough decisions in the next couple of months, both from a personal and business perspective. As I read, study and look for the right answer, there seems to be a large number of financial experts screaming, “Stay on course! Make no big changes!” That advice is hard to argue with when all the experts are singing the same song.

But I have to think back to what we learned from this past spring. I think there are some real opportunities in a tough market for us.

First, consumers did stay home,

Tough Choices: Are You Ready to Make Them?

and they did spend money buying our products — at least March through July. Yes, it has been a soft fall, as it was last year. But the consumer will certainly be ready to buy when spring arrives next year.

We had newer, younger, first-time homeowners in garden centers, at both box stores as well as independent garden centers. They were truly interested in decorating their homes.

As predicted, demand for vegetables and herbs was at an all-time high. Landscape sales were soft, but we saw a slight increase in demand for perennials, annuals and hanging baskets.

Be assured that these trends will continue into 2009.

Tips from Experts

So what do we do to get through the next year? Here are a few suggestions:

Make sure your business financing is in order. Credit and money for operating lines are very tight. Growers are having a tough time getting what they need to run their businesses. According to recent financial articles, the answer to getting operating funds may be where you are banking. While local banks several years ago were not particularly interested in loaning to the green industry, that may now be shifting back.

Cash management will be crucial. Be tight and be thrifty. Don't spend your cash unless you have to. Remember, your customers are going to be tight as well, so make sure you have accounted for slow payments in your budget.

Plan as if the downturn will be

longer and harsher than you think. Cut deeper and harder into your operating budgets than necessary. If the slowdown is less than predicted, you will be leveraged well for the future.

Invest in your key staff. They are the most important resource that you have. Meet with them regularly. Keep them informed and involved in your money-saving tactics.

Look for every opportunity to grow your business. This is the very time that your competition will be cutting back. Be decisive and aggressive in looking at every opportunity. Step up your marketing efforts. Offer superior customer service and only the best-quality products. Look for every opportunity to differentiate yourself.

Be a leader and plan for the coming upswing. A recent article suggested the stock market has taken a deep downturn 31 times in history. The market has rebounded 31 times in that same period. Business *will* rebound.

A quote from former General Electric CEO Jack Welch: “In a crisis, managers and owners must go on the defense. But you need to unleash your offense as well. This downturn may have just begun, but it will end. Don't just survive; seize the day!”

Are you ready? Good food for thought. ■

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