

Productive Resources: Land, Labor and Capital

Land Resources

Space available for growing plants was measured as an average of square footage of net usable growing area in use at the beginning and end of the year. Net usable growing area included only space within beds and benches, not aisles, driveways, or other service areas. As shown in Table 1, growing space averaged 99 thousand square feet (2.3 acres) for Central Florida firms, and 1.196 million square feet (27.5 acres) for South Florida firms. A portion of growing space was dedicated to maintenance of stock plants for production of starter plant material.

The proportion of space devoted to stock plants versus growing plants for sales relates to specialization in production and costs for starter plant material (see section on "Costs of Production"). South Florida firms generally had a higher share of growing space dedicated to stock plants than did Central Florida firms (37% vs. 12%). Large firms in both regions had slightly greater percentages of stock plant space (14% and 40%), while small firms in Central Florida used almost no space for stock plants (0.8%). Space used for growing plants for salable products, termed "propagating and finishing space," excludes stock plant space.

Labor Resources

Labor was measured in terms of full-time equivalent persons, including office and management personnel. In most cases, this was calculated by dividing total labor hours by 2,080 hours per man-year (52 weeks at 40 hours per week). Average number of full-time equivalent (FTE) persons was 12.6 for Central Florida nurseries, and 28.8 for South Florida firms (Table 1). The largest firms employed 28.8 FTE in Central Florida and 96.3 FTE in South Florida while the smallest firms employed 2.9 FTE in Central Florida and 3.9 FTE in South Florida.

Capital Resources

All forms of owned and leased assets, including land, buildings, equipment, plant inventory, accounts receivable and cash on hand represent capital resources for nursery production. Owned capital in buildings, improvements and equipment were assessed at current value: original cost less accumulated depreciation. Total capital owned averaged \$465 thousand for Central Florida nurseries and \$1.587 million for the South Florida firms (Table 1). The largest firms had average owned capital of \$823

thousand in Central Florida, and \$4.742 million in South Florida. The smallest firms had average owned capital of \$193 thousand in Central Florida and \$243 thousand in South Florida. Additional capital managed in the form of leased assets averaged \$43 thousand for Central Florida firms and \$155 thousand for South Florida nurseries, giving total capital managed of \$508 thousand, and \$1.742 million, respectively

Distribution of Managed Capital--among land, buildings, equipment and other assets, is indicated in Figures 2a and 2b, for all Central and South Florida firms, respectively.

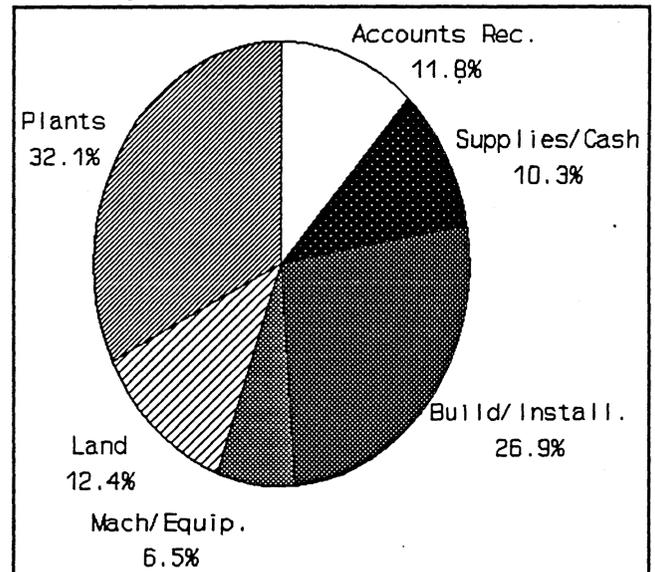


Figure 2a--Distribution of managed capital, Central Florida foliage nurseries, 1989.

Growing plants represented the largest share of capital managed in both regions, but was greater for South Florida firms (44%) than for Central Florida nurseries (32%). Following in order of importance for Central Florida firms were buildings and installations (27%), land (12%), accounts receivable (12%), supplies and cash on hand (11%), and machinery and equipment (7%) (see Appendix Tables 4a and 4b). For South Florida firms, the order was different, with land being the second highest category of managed capital (21%), followed by accounts receivable (16%), buildings (11%), equipment (4%), and supplies and cash on hand (4%). Small firms in Central Florida had a much greater proportion of managed capital in buildings (48%), while small firms in South Florida had a higher share (45%) in land.