

managed capital for container nurseries, and 1.4% for field firms.

and plant fertilization and growing other techniques can affect production time and space requirements.

Resource Use Indicators

Space Use

Space productivity was measured by value of production (annual sales plus inventory change) per square foot of growing space. As shown in Figure 3, value of production per square foot for container firms (\$0.92) was more than 4 times greater than for field firms (\$0.22) because of the more intensive type of production system. Large container firms had below-average space productivity (\$0.83/sq ft), while smaller firms were substantially above average (\$1.41/sq ft). In contrast, large field firms had above-average production per square foot (\$0.61), and small firms had production per square foot equal to the average (\$0.22/sq ft). The third of sampled firms with the highest space productivities averaged \$2.12 per square foot for container firms and \$0.55 per sq ft for field nurseries.

Space productivity on the basis of growing acreage averaged \$39.9 thousand per acre for container firms, and \$9.8 thousand per acre for field nurseries (Appendix Tables 2a and 2b).

Plant inventory turnover is another indicator of space productivity. Inventory turnover expresses the rate at which inventory is replaced on an ongoing basis, and is calculated as annual sales divided by average inventory value. Plant inventory turnover averaged 0.775, or 77.5 percent, for container firms, and 0.378, or 37.8 percent, for field firms (Appendix Tables 4a and 4b). In other words, the number of "crops" per year averaged about three-quarters for container firms and one-third for field firms. This is another indication of the greater space production intensity of container production systems. However, the pattern of results for large vs. small and most profitable firms differs from those for production per square foot because the inventory turnover measure is complicated by inventory values. Large firms in both groups had higher inventory turnover rates (0.80 for container, 0.56 for field) and small firms had lower rates (0.64 and 0.21, respectively). Highly profitable container firms had turnover rates (1.60) nearly as great as the highest rates (1.71), but highly profitable field firms had turnover rates (0.49) closer to the overall average. This is due to South Florida field nurseries producing highly valuable but relatively slow-growing crops such as palms.

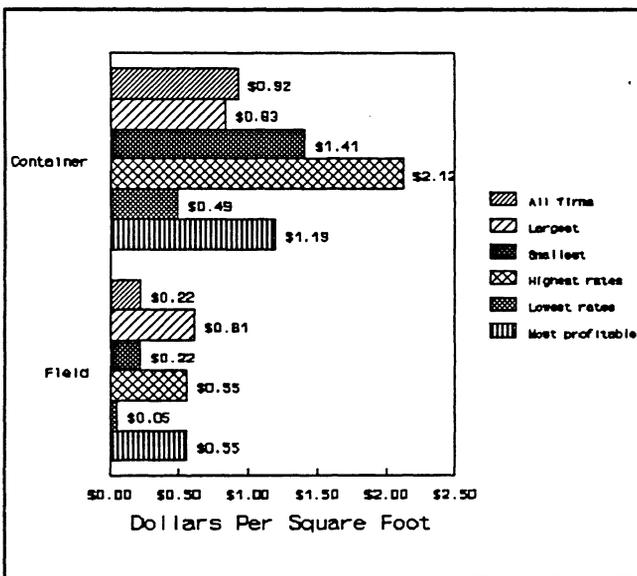


Figure 3--Space productivity. Value of production (sales plus inventory change) per square foot of growing space.

The most profitable third of firms had space productivities of \$1.19 per square foot for container nurseries and \$0.55 per square foot for field firms. This was the same as the highest rates for field nurseries, and well above average for container growers, indicating the importance of high space productivity for profitable nursery operations. Low space productivity may result from several causes: overmature plants, high vacant space, slow plant growth, and disease and quality problems that reduce yields of salable plants. In addition, nursery layout

Labor Use

Labor productivity was measured in terms of value of production per full-time equivalent worker (FTE, 2080 hrs/year). Figure 4 shows that labor productivity was generally higher for field nurseries (\$50.7 thousand/FTE) than for container firms (\$28.8 thousand/FTE). For container nurseries, both large and small firms had below average labor productivity (\$27.5 and \$23.3 thousand/FTE). For field nurseries, large firms had significantly above average labor productivity (\$80.7 thousand/FTE) and small firms were well below average (\$28.6 thousand/FTE). Highest rates of labor productivity for field firms (\$105.1 thousand/FTE) were more than twice as great as for container firms (\$48.7 thousand/FTE), but lowest rates were nearly the same (\$18.9 thousand and \$14.1 thousand per FTE, respectively).

Highly profitable firms of both types had labor productivities approximately 50% above average