



Additional indicators of efficiency in the use of land include turnover of plant inventory, the share of total nursery area in bed and bench space, the share of bed and bench space used for stock plants, and the average percentage of bed and bench space that is vacant. Average turnover of the plant inventory was 186 percent. This means that annual plant sales amounted to almost 1.9 times the average value of plant inventory. The largest nurseries had plant inventory turnover of 207 percent, and the smallest nurseries had 164 percent. Vacant bed and bench space averaged 6.0 percent of the total for all nurseries (Appendix Table 4).

Labor Use (Appendix Table 3).

Value of production per full-time equivalent person (2080 hrs/year) is one of the best measures of efficiency in the use of labor. This indicator averaged \$51,256 per person for all nurseries, \$52,600 for the largest firms, and \$39,303 for the smallest (Figure 7). Highest rates of production per person averaged \$78,433 per person, and lowest rates were \$31,330.

An indicator of intensity in the use of labor is production area per person. Total bed and bench

space per full-time equivalent person averaged 25,999 square feet for all nurseries, 27,218 square feet for the largest firms, and 17,920 square feet for the smallest. Stated another way, the number of persons per acre of bed and bench space averaged 1.33 for all nurseries, 1.34 for the largest nurseries, and 1.49 for the smallest nurseries.

If all other things are equal, higher sales per person involved is desirable, but this measure should be viewed together with other indicators, such as production rate, space use intensity, capital turnover, and costs per square foot. High sales per person can be less than optimal if the number of persons is too small for the volume of plants handled or space tended, resulting in low space use efficiency, poor plant care, or lower product quality.

Lower sales per person can result during periods of rapid expansion when extra help is needed before plants reach salable size. Lower sales per person can also result during difficult economic times when sales are slow. Variations among nurseries can be the result of differences in investment in labor saving capital items, labor management practices, or other practices affecting crop turnover rate.