

Economic Impact of
Wisconsin's
green
Industry

\$2.7 billion





JIM DOYLE
GOVERNOR
STATE OF WISCONSIN

From the Office of the Governor:

I would like to thank Wisconsin Agricultural Statistics Service for working with various Wisconsin Green Industry associations and the University of Wisconsin - Madison, and University of Wisconsin - Cooperative Extension Service to develop a comprehensive overview of Wisconsin's Green Industry.

As a result of the survey, we are able to identify the impact of the Green Industry on our State's economy. With this information, we are better able to realize the scope of the industry and understand its importance to Wisconsin's economy.

The Green Industry contributes over \$2.7 billion annually, while providing over 43,000 jobs. It is an extensive industry that affects all Wisconsin residents.

Economically, environmentally, and aesthetically, the Green Industry serves as a wonderful compliment to Wisconsin's natural beauty. I congratulate and commend all the individuals involved in coordinating, conducting, and disseminating the survey and its results.

Sincerely

A handwritten signature in black ink that reads 'Jim Doyle'.

Jim Doyle
Governor



Methodology

This survey was conducted by the Wisconsin Agricultural Statistics Service to ensure a statistically unbiased look at the Green Industry. The Green Industry is a general term used to describe the production, installation and maintenance of: flowers, sod, nursery, landscape products, and Christmas trees. Additionally, the definition extends to include items directly related to the production and maintenance of those products (e.g. soil, fertilizer, hard goods, etc.).

The main goal of the project was to assess the economic impact of the industry in Wisconsin.

Entities determined to be part of the Green Industry were separated into one of three categories or sectors. A unique and separate questionnaire was designed for each of the following categories:

✿ The Producer sector data was collected by mail and telephone from lists compiled from industry associations, and the Internet (with use of industry specific NAICS codes). The Producer sector included all businesses and individuals that produced, sold, or provided services determined to be "green" related.

✿ For the Household sector, "green" related information was collected using a land area frame of Wisconsin. All land in the state is stratified by land use such as residential, agricultural, and forested. Sampled area totaled 122 segments, which ranged in size from two square miles for lightly populated areas, to one-tenth of a square mile for heavily populated areas. Personal interviews were conducted with household members of single-family homes and duplexes.

✿ The Public/Government sector survey was mailed to entities with employees who provide green industry services, such as grounds maintenance. Examples of groups in the Public/Government sector include: schools, state and local government, cemeteries, and colleges.

The target year for all sectors was 2002. Data collection took place over a twelve-month period beginning in March of 2003. Each sector was stratified by type, and results were expanded to account for non-response.



From 1997 to 2002, U.S. household participation in lawn and garden activities increased from 68 million in 1997 to 85 million households in 2002, an overall increase of 25% and a compound growth rate of 5% per year. During this same period, total retail lawn and garden sales increased from \$26.6 billion in 1997 to \$39.6 billion, an overall increase of 49% and a compound annual growth rate of 8% per year.

the Wisconsin Green Industry

 2.7 billion dollar industry

 Over 4,700 businesses

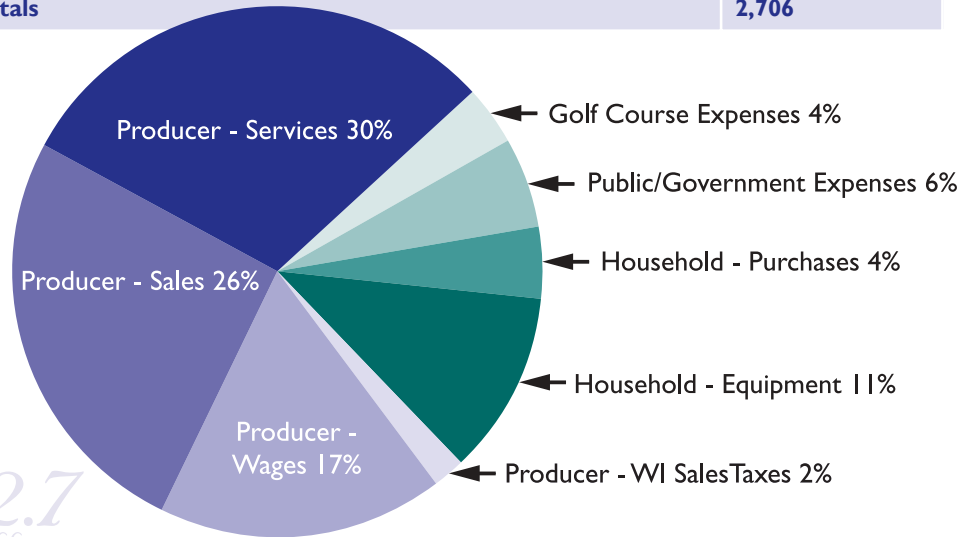
 Over 43,000 workers

 Over 4,300 Hispanic employees



Economic Impact - 2002 Wisconsin Green Industry

Sector	Million (\$)
Producer - Services	819
Producer - Sales	696
Producer - Wages	471
Producer - WI Sales Taxes	53
Household - Equipment	302
Household - Purchases	118
Public/Government Expenses	149
Golf Course Expenses	98
Totals	2,706



*\$2.7
billion*

Economic Impact = \$2.7 billion 2002 Wisconsin Green Industry



Producer Sector, Productivity & Profitability Limitations, 2002 Wisconsin Green Industry

Item	Limiting (%)	Not Limiting (%)
Availability of Skilled Labor	45	55
Availability of Unskilled Labor	26	74
Availability of Training	27	73
Availability of Capital	42	58
Environmental Regulations	37	63
Labor Regulations	31	69
Zoning/Land-Use Obstacles	30	70

Producer Sector, Beneficial Activities, 2002 Wisconsin Green Industry

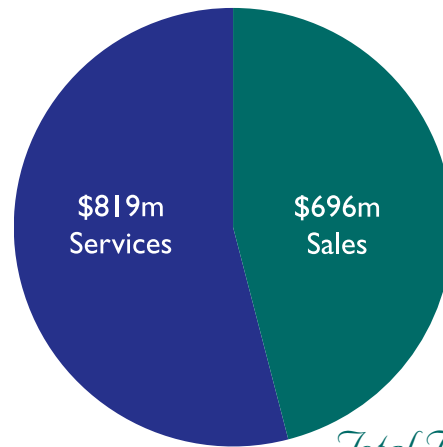
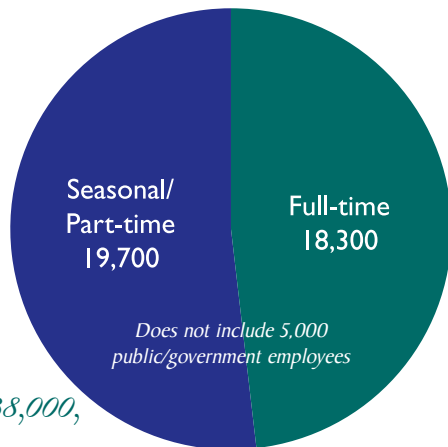
Item	Beneficial (%)	Not Beneficial (%)
Developing Professional Standards	60	40
Government/Political Awareness	62	38
Industry Promotion to Public	72	28
Pest Management Research	57	43
Ornamental Horticulture Research	54	46

Producer Sector, 5 Year Plan, 2002 Wisconsin Green Industry

Close (%)	Reduce (%)	Same (%)	Expand (%)
8	9	44	39

\$471 million

*Producer Sector,
Total Employees 38,000,
Wages \$471 million
2002 Wisconsin Green Industry*



\$1.5 billion

*Producer Sector,
Total Receipts \$1.5 billion
2002 Wisconsin Green Industry*

Producer Sector, Production, 2002 Wisconsin Green Industry

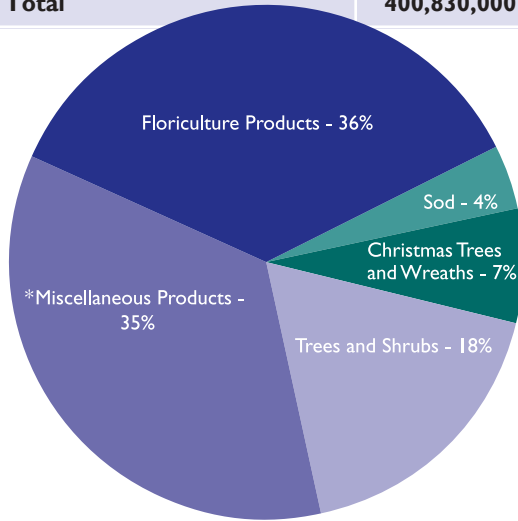
Crop	Acres	Greenhouse Sq. Ft.	Trees Cut
Christmas Trees	36,000		1,800,000
Trees and Shrubs	14,300	850,000	
Floriculture	1,500	10,500,000	
Sod	10,000		

Producer Sector, Receipts by Product, 2002 Wisconsin Green Industry

Product	**Resales (\$)	Retail Sales (\$)	Wholesales (\$)	Choose & Cut (\$)	Total (\$)
Floriculture Products	127,790,000	54,970,000	66,900,000		249,660,000
Trees and Shrubs	59,700,000	30,220,000	33,750,000		123,670,000
Christmas Trees and Wreaths	21,050,000	3,040,000	22,720,000	3,190,000	50,000,000
Sod	11,690,000	2,970,000	13,500,000		28,160,000
*Miscellaneous Products	180,600,000	7,910,000	56,400,000		244,910,000
Total	400,830,000	99,110,000	193,270,000	3,190,000	696,400,000

*Miscellaneous products include: mulch, soil, fertilizer, pesticides, and hard goods

** Products purchased from a grower or supplier with the intent to resale



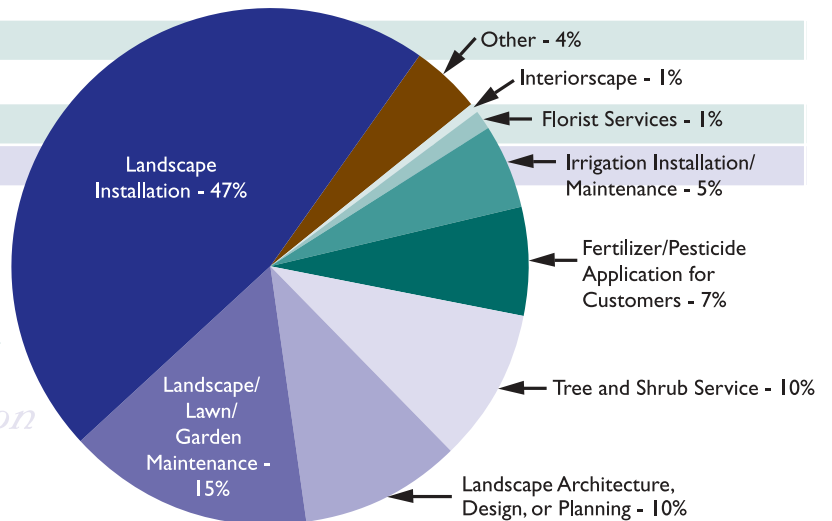
\$696 million

*Producer Sector, Receipts by Product, Total Sales \$696 million
2002 Wisconsin Green Industry*



Producer Sector, Receipts by Service, 2002 Wisconsin Green Industry

Green Service	Receipts (\$)
Landscape Installation	382,550,000
Landscape/Lawn/Garden Maintenance	125,790,000
Landscape Architecture, Design, or Planning	82,890,000
Tree and Shrub Service	78,660,000
Fertilizer/Pesticide Application for Customers	55,800,000
Irrigation Installation/Maintenance	43,420,000
Florist Services	9,800,000
Interiorscape	4,820,000
Other	35,720,000
Totals	819,450,000



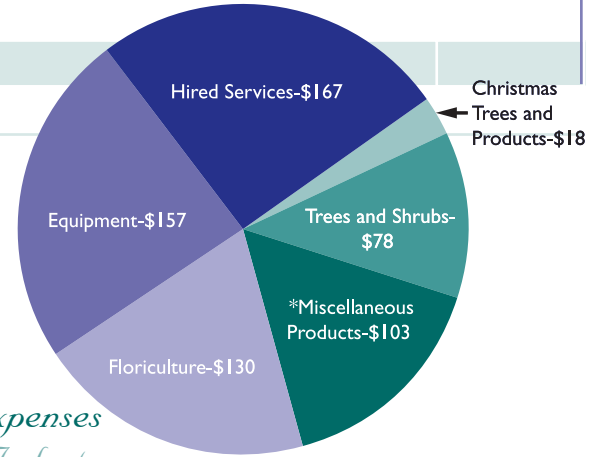
*Producer Sector, Receipts by Service,
Total Receipts \$819 million
2002 Wisconsin Green Industry*

\$819 million

Household Sector, Product Purchases, 2002 Wisconsin Green Industry

Product	Average per Household	Percent purchased from:			
		General Retailer (%)	Non-Franchised Private (%)	Contractor (%)	Other (%)
Floriculture	\$130	35	55	9	1
Trees and Shrubs	\$78	11	48	40	1
Christmas Trees and Products	\$18	12	70	1	17
Hired Services	\$167				
Equipment	\$157				
*Miscellaneous Products	\$103				

*Miscellaneous products include: mulch, soil, fertilizer, pesticides, and hard goods

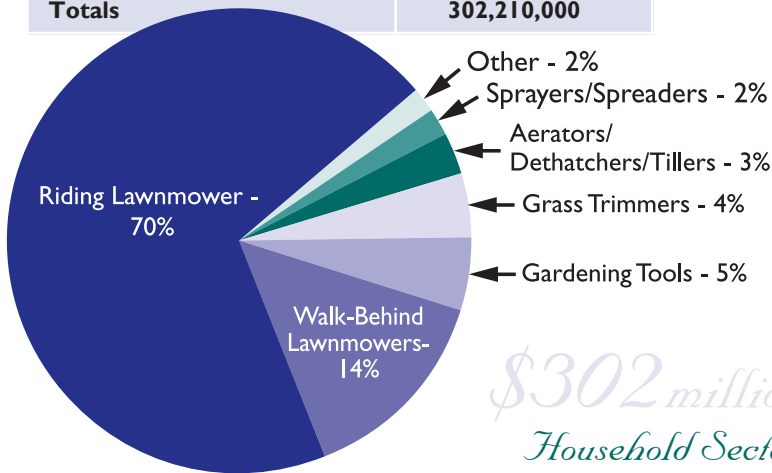


*Household Sector,
Average Household Expenses
2002 Wisconsin Green Industry*



Household Sector, Equipment, 2002 Wisconsin Green Industry

Product	Expenses (\$)
Riding Lawnmowers	210,920,000
Walk-Behind Lawnmowers	42,680,000
Gardening Tools	15,330,000
Grass Trimmers	13,470,000
Aerators/Dethatchers/Tillers	8,790,000
Sprayers/Spreaders	5,720,000
Other	5,300,000
Totals	302,210,000



*\$302 million
Household Sector,
Equipment Purchases, Total Expenses \$302 million
2002 Wisconsin Green Industry*

Household Sector, Service Performer, 2002 Wisconsin Green Industry

Service	Hired Company or Individual (%)	Do-It-Yourself/Unpaid Labor (%)
Mowing and Edging	8	91
Lawn Seeding	1	36
Laying Sod	1	5
*Fertilizing	13	51
Weed, Insect, or Disease Control	13	47
Aeration	3	10
Planting Trees and Shrubs	7	26
Tree and Shrub Pruning	10	74
Tree and Shrub Removal	11	29
Retaining Wall/Patios/Other Hardscapes	3	10
Installing Plant Beds	1	23
Installing Irrigation	<1	1
Installing Water Ponds	<1	2
Grading/Drainage Alterations	2	8
Other	9	0

* Includes landscape and turf



Acknowledgments

The 2002 Wisconsin Green Industry Survey was a joint project between the Wisconsin Landscape Federation, University of Wisconsin-Madison, and the Wisconsin Agricultural Statistics Service. Dr. Laura Jull served as project coordinator. Funding for the survey came from a United States Department of Agriculture Specialty Crop Block Grant procured by the following organizations:

- ❁ Commercial Flower Growers of Wisconsin
- ❁ Wisconsin Sod Producers Association
- ❁ Wisconsin Christmas Tree Producers Association
- ❁ Wisconsin Nursery Association

The following organizations were cooperating partners on the survey project:

- ❁ American Society of Landscape Architects-Wisconsin Chapter
- ❁ Wisconsin Arborist Association
- ❁ Wisconsin Golf Course Superintendents Association
- ❁ Wisconsin Landscape Federation
- ❁ Grounds Management Association of Wisconsin
- ❁ Gardens Beautiful Garden Centers
- ❁ Association for Specialty Cut Flower Growers
- ❁ Wisconsin Urban Forestry Council
- ❁ Wisconsin & Upper Michigan Florist Association
- ❁ Wisconsin Landscape Contractors Association

Dr. Laura G. Jull
Assistant Professor and
Extension Specialist

Robert J. Battaglia
State Statistician