



STATE OF INDUSTRY

2nd half 2014

BELGIUM

PRODUCTION: Quality of plants is good, good growing conditions in 2014.

Forecast: Enough plants on the market, many nurseries will lower down production.

INTERNAL MARKET, retail, garden centres, ... Poor summer sales in Garden Centres.

Autumn sales OK, long lasting autumn season due to good weather.

Forecast: Very mild winter until now, no frost damage.

INTERNAL MARKET, amenity market landscaping retail, ... Good autumn season for landscaping, good weather conditions in Autumn. Private Gardens under pressure, smaller gardens and less money to spend.

Forecast: Less big private gardens, public green needs to be promoted.

EXPORT MARKET: Export to UK is better, France and Germany stabil, East Europe is uncertain.

Pressure on price level. Much competition.

Forecast: The same

BULGARIA

PRODUCTION: There were unstable climate conditions, unusual quantity of rainfalls and summer thunderstorms and hailstorms which led to some damages to whole industry incl. to the equipment, greenhouses, plants, etc. It also reflected in uncontrolled overflowing of rainwater in some regions. There is a tendency of slight decline in production figures, although the sector in general remains unchanged.

Forecast: If there isn't a major reversals, no change is expected, reflecting the slowdown of financial activity in Bulgaria.

INTERNAL MARKET, retail, garden centres,... A fall in household consumption was registered in the second part of 2014 due to the worsened consumer perception of the financial environment. In July and October consumer confidence indicator declined as a result of the uncertainty stemming from the current political and fiscal situation in the country and the KTB case (in June 2014 there was a conservatorship imposed upon the fourth biggest bank in Bulgaria - Corporate Commercial Bank (KTB), which had a strong effect on the financial flow). Negative expectations about future business situation were widespread across all economic sectors coupled with more sizeable worsening of the estimated current business situation in September and October.

Forecast: In the fourth quarter of 2014 and first quarter of 2015 growth rates of currency in circulation and broad money are expected to gradually moderate.

INTERNAL MARKET, amenity market landscaping retail, ... There wasn't a growth in market demand, shown clearly with register data of weak dynamics. Even though that over the first half of 2014 a growth in amenity market was reported, this trend, however, was reversed in the second half of the year. According to the managers in this sector, the influence of limiting factors, as financial problems and insufficient demand, diminished strongly in 2014. In July business climate and consumer confidence indicator declines coincided with those in the EU, which is likely to reflect the international situation by that time.

Forecast: Accumulation of external and internal factors adding to higher uncertainty is expected to affect adversely the activity in amenity market. The moderating domestic demand growth coupled with increased uncertainty are also expected to contribute to the slower dynamics in the second half of 2014 and the first quarter of 2015.



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EXPORT MARKET: There is a registry of decline in exports due to lower export prices and probably to unfavourable weather conditions in the season.

Forecast: In case no essential changes in the international prices occur export will remain at rates close to the current ones.

DENMARK

PRODUCTION: After a long hot summer, most producers had a fine production for sale. Container stock and rootballing started as normal to sell in September, but bare root plants was delayed 1-2 week because of hot weather, and no night frost. But the nice weather stayed for the rest off the year, so in the end most producers had an ok sales.

Forecast:

INTERNAL MARKET, retail, garden centres, ... After the drop in turnover in spring. It never really went up again. But due to a nice warm autumn, most garden enters where selling plants in November and December as well, it help a little.

Forecast: I expect a drop in the plants sale from garden centers. Two reasons.

1. super markets are having a stronger concept for selling plants every year.
2. Few people renovate their garden, and house building are very low, and usually not many plants are put into new gardens.

INTERNAL MARKET, amenity market landscaping retail, ...

This has been the strongest market, and the demand for plants has been good all year long.

Forecast: we expect It will stay strong for the years ahead.

EXPORT MARKET

Forecast:

FINLAND

PRODUCTION:

Production area is going down slowly all the time but number of plants is almost on the same level due the more effective production. Competition with import is very hard

Forecast: Number of nurseries is going down

INTERNAL MARKET, retail, garden centres, ...

On year 2014 we had a good spring season and that's why sales went up slightly

Forecast: Sales on the same level, let's hope!

INTERNAL MARKET, amenity market landscaping retail, ...

Year 2014 was on same level than last years

Forecast: Going down

EXPORT MARKET

small

Forecast: Still small



GERMANY

PRODUCTION:

High level

Forecast: less production for retail-market

INTERNAL MARKET, retail, garden centres, ...

Consumer market was non-satisfying

Forecast: stabilization or slight increase

INTERNAL MARKET, amenity market landscaping retail, ...

Good demand in landscaping

Forecast: positive tendency

EXPORT MARKET: Demand was satisfying.

Forecast: some risks because of the political circumstances in Eastern-Europe

GREECE

PRODUCTION: 20.000.000

Forecast: 14.000.000

INTERNAL MARKET, retail, garden centres, ... 35.000.000

Forecast: 35.000.000

INTERNAL MARKET, amenity market landscaping retail, ... 5.000.000

Forecast: 5.000.000

EXPORT MARKET: 11.780.000

Forecast: 14.000.000

HUNGARY

PRODUCTION:

Forecast:

INTERNAL MARKET, retail, garden centres, ...

Forecast:

INTERNAL MARKET, amenity market landscaping retail, ...

Forecast:

EXPORT MARKET

Forecast:

IRELAND

- Total market size, including Landscaping stands at €631m. This is up from €516m in 2011/12 – a 22% increase.
- Outdoor and flowering plants are valued at €126m, up from €112m in 2011/12, an increase of 13%. The market for this category is still lower than when first measured in 2001/02, when it was valued at €155m.



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- The trend we had seen over the years remains, in so far as the two products which have seen long term growth are hanging baskets and pre-planted containers, and herbs, fruit and Veg for planting out. Though interestingly, these have not grown in value since the last measure in 2011/12, **remaining static**.
- Purchasing occasions for outdoor and flowering plants are up 20% since 2011/12, so increased activity is growing the market.
- The demographic spread of purchasing is unchanged; there is a higher incidence of purchasing bulbs/flower seeds for planting, and bedding plants among over 55s. These products are also slightly more female oriented. Indoor potted plants are also slightly more likely to be bought by over 55s, though not markedly so.
- Indoor potted plants continue to decline in value quite sharply. The market is valued at €13m, down from €18m in 2011/12. The number of purchasing occasions is in line with 2011/12, which suggests there is pricing pressure in this area.
- Garden products have also seen their market share bounce this year; with a market size of €303m, compared with €218m in 2011/12. Values are up across all products.
- Within the outdoor and flowering plants category, independent garden centres account for 47% of all spend, which is in line with the previous measure. Discounters have 7% of the market value, also unchanged from 2011/12.
- Discount retailers account for 17% of all purchase occasions within the outdoor and flowering plants category overall, and 23% of bulbs/flower seeds for planting.
- Discount retailers also account for 17% of purchasing occasions for indoor potted plants, up from 12% in 2011/12.
- Amenity exports have increased, valued at €14.4 million in 2014 which is an increase of €650,000 over 2013. There is no figure broken out for Hardy Nursery Stock. An estimated figure for exports of Hardy Nursery Stock in **2014** was put at circa 4 Million.

ITALY

PRODUCTION: After a summer abnormal also the autumn 2014 was characterized by many rains and mild temperatures.

Production in the summer was not able to grow well and in autumn the plants have not reached the usual measures.

Forecast:

INTERNAL MARKET, retail, garden centres, ...

The nursery's sale was initially effervescent going to fade from November onwards.

The domestic market has recorded declines in demand resulting in displacement of the purchase in the spring. gardeners were engaged more with the maintenance that in the implementation of new gardens.

Forecast:

INTERNAL MARKET, amenity market landscaping retail, ...

Public works have not given the opportunities they hope. garden centers have had in November and December a lot of selling, but most objects that plants.

Forecast:

EXPORT MARKET: Exports goes bad both on problems of war in Ukraine and Syria, and for the loss of competitiveness in traditional European markets.

Forecast:



THE NETHERLANDS

PRODUCTION: High level, influencing prices levels in a negative way in some production areas

Forecast: less production for retail-market and less companies, but same surface.

INTERNAL MARKET, retail, garden centres, ... Consumer market was non-satisfying, especially in some areas of the nursery industry such as roses and perennials. Weather and economic conditions as well as a difficult housing market are responsible for this.

Forecast: stabilization or slight increase, economic and real estate market growth are seen.

INTERNAL MARKET, amenity market landscaping retail, ... Demand in landscaping became a bit more positive than the year before, however it's a small increase due to a more positive house/economic development.

Landscape market is doing well, especially for the private gardens, for the amenity market it

is struggling to survive because of very low prices.

Forecast: positive tendency, however the current price level is at a minimum

EXPORT MARKET: In general a positive development with satisfying demand, however very much depending on other countries since we are exporting over 60% of our production.

Forecast: Phytosanitary issues are seen an increased risk, also more within the EU region. The status of the imports to Russia is closely watched, exports towards the East European regions will increase after an end of this import stop.

NORWAY

PRODUCTION:

Forecast:

INTERNAL MARKET, retail, garden centres, ...

Forecast:

INTERNAL MARKET, amenity market landscaping retail, ...

Forecast:

EXPORT MARKET

Forecast:

POLAND

PRODUCTION: A good long year without bigger problems. No losses after a very mild winter. Summer wasn't too hot with enough water. Production was a few % higher than in 2013.

Forecast: Little growth is expected, but without big changes. If there still will be a problems with an export to Russia, Poland will have quite serious overproduction.

INTERNAL MARKET, retail, garden centres, ... Very long and good season because of short winter and fine weather. Good sale in garden centers with a similar prices to year 2013.

Forecast: Potential of market is quite big. If nothing special will happen with weather or other markets, sales in retail will go up.

INTERNAL MARKET, amenity market landscaping retail, ... Good spring but generally unstable year because of elections to local government.



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Forecast: Positive

EXPORT MARKET: According to long spring season, export was satisfying but with problems to Russian market.

Forecast: Unstable political and economic situation in our eastern neighbours may cause a big problems. Biggest risk is rate of eastern currencies.

SPAIN

PRODUCTION: Small production of pot plants continues and there is a reduction of outdoor plants production. Some nurseries continue closing down, mainly for difficulties to get their money back and low sales.

Forecast: production increase of pot plants and outdoor plants in 2015. Not worse than in past, maybe a little growth is expected.

INTERNAL MARKET, retail, garden centres, ... Reduced sales of outdoor plants. Those who grow seasonal products (poinsettias, cyclamen, chrysanthemum) has sold out the production.

In garden centres sales are not going down, the period was ok (not excellent) and a low increase of sales.

Forecast: Increase in sales of pot plants and plants outdoor in 2015. A lower VAT tax for this 2015 may help in the good direction.

INTERNAL MARKET, amenity market landscaping retail, ... Reduced sales of pot plants and outdoor plants.

Forecast: Increase in sales of pot plants and outdoor plants in 2015. Some things are moving on municipalities. Waiting for a better times...

EXPORT MARKET: The export of plants has not significantly changed compared to the last year. Slightly better than past years, but difficulties in France. Not so good as it has to.

Forecast: Increase in the export of pot plants and outdoor plants in 2015, with new customers.

SWEDEN

PRODUCTION: A good year. No bigger problems

Forecast: The same as last year

INTERNAL MARKET, retail, garden centres, ...

A good stable year but with a bit lower sales in the autumn.

Forecast: Stable

INTERNAL MARKET, amenity market landscaping retail, ...

Different demands throw out the country. A bit reduced in the south part but the same as last year in the rest of the country. It has been an election year, an unstable one, which may have had an effect.

Forecast: The year has started better than it ended so the forecast is looking good.

EXPORT MARKET: Non-existent

Forecast:



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UNITED KINGDOM

PRODUCTION: £1.09 billion

Forecast: Unlikely to see any dramatic changes in production in the coming year.

INTERNAL MARKET, retail, garden centres, ... 2014 started very well but ended up as above average with most growers reporting sales up around 5%.

Forecast: Signs are positive for 2015, depending on the weather.

INTERNAL MARKET, amenity market landscaping retail, ... Construction, particularly house-building is picking up in the UK and suppliers to the amenity market reported sales up 7-8% in 2014. The market is very competitive with a lot of enquiries with growers competing to supply. Some achieved price increases of around 3% in 2014. Credit control and cashflow are a concern for growers.

Forecast: Signs are positive for 2015, although the UK general election may have an effect, depending on who wins.

EXPORT MARKET: The export market is not a major market for our members.

Forecast:
