

# Hardy Nursery

## Introduction

The nursery Stock industry comprises both the production of and trade in hardy nursery stock products. The main product groups are –

- ◆ Ornamental shrubs
- ◆ Conifers
- ◆ Avenue and Park trees
- ◆ Alpines and perennials
- ◆ Rhododendrons, azaleas and heathers
- ◆ Roses
- ◆ Fruit trees
- ◆ Amenity transplants
- ◆ Hedging shrubs

While the total area and diversity of plants grown is expanding, sales of some traditional lines such as conifers and fruit trees have declined. Product size is also changing dramatically with consumers looking for larger containerised and rootballed material. Container production has facilitated year-round sales and planting of hardy nursery stock.

Currently there are 210 nurseries in Ireland with approximately 480 hectares in outdoor production and 60 hectares under protection. In value terms, production in 2005 was valued at €47m. The last census showed that the majority of turnover in the sector was accounted for by 29 large nurseries. These account for 64% of total sales with the remaining 87% of nurseries accounting for only 36% of total sector value. This trend is continuing. Nursery units are located throughout the country with proximity to urban centres and markets an important consideration.

## The Market

The overall market for nursery produce is continuing to grow with the major growth taking place in the landscape sector. Much of this growth is now being fuelled by imports particularly from Holland and Italy. Imports in 2002 were estimated at €9.7m and in 2005 were estimated by Bord Bia at €30.0m with the nursery industry, landscape contractors and garden centres importing €10m each. The independent garden centres continue to dominate sales at retail level but there has been significant increased involvement in the domestic market by DIY sheds, supermarkets, florist's etc. A feature of all markets is the movement towards larger sizes for specific categories of plants.

Market knowledge is therefore essential for new and established nurseries to have successful businesses. The product range, labelling, supply, delivery, pricing etc will vary from market to market. Indications are that nursery stock sales will increase over the next number of years for plants grown to an exceptionally high quality but there will be more and more pressure on margins particularly as a result of increased competition from Dutch and Italian suppliers.



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This is one of a series of fact sheets on potential income generating activities.

All fact sheets are available in the Advisory Section of the Teagasc Website  
[www.teagasc.ie](http://www.teagasc.ie)

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Teagasc Fact Sheets present a brief overview of a topic. Further detailed advice should always be sought from relevant sources

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## Export

Plant exports have continued to grow and are valued in excess of €7.5 m. Exports are mainly to the U.K. with product type consisting mainly of young plants (liners and plugs) as well as niche market plants such as Herbs. Exporting nurseries have tended to become extremely specialised to compete favourably in this market and it is likely that only established nurseries familiar with the stringent criteria required will be successful in this market

## Training

Producing plants in containers or in the open ground involves a high level of skill and competency. Training in a range of skills such as pesticide use, pruning, cutting preparation, potting systems etc., are of paramount importance. Most new entrants in recent years have completed the three-year Teagasc Course in one of the Horticultural Colleges and continue to attend in-service training Courses arising from the continual changes in both production and marketing skills.

## Production Method

With the growth in container production and the use of rigid pots, considerable emphasis has to be placed on infrastructural requirements which consist of the following:

- ◆ Gravel or sand beds for standing plants down
- ◆ An automatic irrigation system which can include a system for pesticide and liquid feed application
- ◆ Good roadways and paths through nursery for accessibility when standing down plants and also for removal for sale
- ◆ A potting/packing shed for co-ordinating despatch etc.
- ◆ Plant protection structures such as glasshouse and polytunnels for winter protection and also promotion of early growth in the Spring months.

Many tasks, such as potting up young plants, are now mechanised. However, there is a high demand for labour, during the growing season, which now consists of mainly non-nationals. Peak potting-up time is during the months of April/May with crops ready for sale from the following Autumn.

## Establishment Costs and Profit Margins

The capital costs for a unit producing 100,000 plants would be in the order of €150,000. These costs would include a small potting shed, stand-down beds and irrigation system, roadways and paths and 500m<sup>2</sup> polytunnel. Currently aid can be applied for under the National Development Plan 2000 – 2006. The Department of Agriculture provide details of the Scheme. Profit margins from container nurseries are in the order of 10 per cent.

Detailed financial information is contained in the annual Teagasc publication “Management Data for Farm Planning”.

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