

How Much Does It Cost to Start A Nursery-Case Study
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How much does it cost to start a nursery? When the industry is doing well, I have people each week looking at the nursery business as an opportunity. Of course I think it is a great business but, like you, I want everyone to go into the business with their eyes wide open. I always suggest that they work at a nursery before sinking their life savings into their dream. I also ask them to talk to plenty of people before investing. They are usually very receptive to talking to people but working for a few years is a road that is too slow to satisfy their enthusiasm.

One individual I worked with last year had great enthusiasm to start a large pot-in-pot nursery. He had most of the money, a good work ethic and enthusiasm but no experience. I walked around with him at our trade show and introduced him to many of you. As usual, everyone was very encouraging but also stressed the hard work and problems with marketing. We decided to start him off slow with an acre of containers to grow liners for his pot-in-pot nursery should he continue to seek this alternative. We designed the nursery, ordered the liners and other supplies and he was "in the business".

He would tell you that everyone told him the truth. There is a lot to know and it is hard to anticipate all the problems or questions if you have not worked in a nursery. He has worked hard though and done a good job. I asked him to please keep a record of his first year expenses so that we could share that with other nursery "want-a-beers". We have some more complete budgets that were done by agriculture economists but people like to look over the shoulder of people who have recently "been there". Below is a list of his purchases and most of his expenses. I hope this will help you and others who are asked how much money do I need to get started. This is a very modest 1 acre container nursery and the out of pocket expenses were in excess of \$26,000. Like many people who switch from row crops, he was fortunate to have the land and most of the equipment. I am sure he will do well but he has decided to slow down on the rate at which he achieves his ambitions. This is a good lesson learned and at a price that was manageable. I will now send new people to him for that first year advice to new nursery producers. A trade mark of this industry is their willingness to share.

FIRST YEAR BUDGET

NURSERY ITEM--CATEGORY--AMOUNT

Irrigation : micro sprinklers \$2,607.12
Irrigation : pipe \$505.40
Irrigation : poly tubing \$1,000.00
Irrigation : jet pump \$455.44
Irrigation : controller (clock) \$415.80
Irrigation : solenoid valves \$308.70
Irrigation : wire \$80.00
Irrigation : well service (labor) \$1,366.95

Irrigation : trencher \$115.00
Bank Charges : Service Charge \$0.00
Pots 3 gallon : Rootmaker pots (1,512) \$2,567.08
Pots 3 gallon : Rootrite pots (1,990) \$11,013.49
Soil : 143 cubic yds of pine bark
Soil : peat moss 7 bales \$875.00
Soil : sand \$200.00
Plants: qt. liners : Natchez (1308) \$1,310.40
Plants: qt. liners : Tuscarora (252) \$327.60
Plants: qt. liners : Tuskegee (220) \$286.00
Plants: qt. liners : "Royal Velvet" (500) \$750.00
Plants: qt. liners : "Dynamite" (100) \$150.00
Plants: 1 gallon material : Leyland Cypress (400) \$900.00
Plants: 3 gallon material : Ligustrum(1500) \$750.00
Plants: 1 gallon material : Red Maple (400) \$600.00
Plants: qt. liners : Live Oak (150) \$105.00
Plants: 1 gallon material : Live Oak (50) \$75.00
Plants: 3 gallon material : Live Oak (200) \$900.00
Plants: qt. liners : Overcup Oak (50) \$47.50
Plants: 1 gallon material : Nuttall Oak (25) \$37.50
Plants: 1 gallon material : Swamp Chestnut Oak (25) \$37.50
Plants: 1 gallon material : River Birch (25) \$37.50
Plants: 1 gallon material : American Holly (100) \$150.00
Ground Cover : 15x300 ft. \$1,083.00
Ground Cover : companion pins \$179.48
Ground Cover : 6 ml poly \$666.49
Tying Material : Ty-emup Taper \$48.50
Tying Material : ty staples \$5.50
Tying Material : blades \$5.00
Tying Material : tape \$36.00
Bamboo stakes \$176.00
Water Shelter for controller \$310.00
Plant Trailer Material \$97.10
Insurance \$116.00
Fuel \$500.00
Labor \$2,000.00