

From Employee to Employer: Experiences of Acquiring a Nursery Business

Agnes Harbour

Chevin Nurseries Ltd, East Carlton, Yeadon, West Yorkshire LS19 7BG, U.K.

INTRODUCTION

Eighteen months ago I left a very good job on a large nursery to buy an existing small nursery. It is approximately 0.5 ha, half of it under protection.

Like many I.P.P.S. members, I went into the nursery business because of a love of plants but as I moved up the career ladder I found myself managing people, becoming increasingly office-bound, and having less to do with plants. Acquiring a nursery of my own seemed a good way of getting back to plants but with the added challenge of running a business.

To build up a nursery from scratch takes time and buying an existing business outright requires capital. I was fortunate to come to an agreement with two of the existing shareholders at Chevin Nurseries: I bought the majority shareholding with the agreement of buying the remaining shares by the end of 2000. Mike Booth, the other shareholder and director, agreed to stay on to help me settle and learn the business. I was very lucky to step into an established business with a good customer base and a good reputation for quality.

The production consists of contract propagation from January to June for a major pot and bedding wholesaler; and growing on of 9-cm basket plants, hanging baskets, pot and patio plants, and hardy fuchsias for local garden centres.

DIFFERENCES IN THE NATURE OF THE JOB

My role is now a much wider one. For example, I plan the production as well as the cashflow; I see customers as well as suppliers; I negotiate wages with the employees and the overdraft with the bank manager. It is more varied and interesting than doing a specific job for a larger nursery.

Chevin Nurseries is a limited company and technically I am still an employee. I do not see the company as mine but as a separate entity with all the people who work for it having a stake in it and I believe that it is right to share the rewards if there are any.

At the same time I am well aware of my investment, the stake that I have in the business and the need to provide a return for my business partner and myself. Perhaps the greatest difference between being employed and running your own business is that in the latter case you are much more directly responsible for your own earnings.

REBUILDING PRODUCTION

Mike Booth was approaching retirement and wanting to sell the business and had been slowing down so we had to plan to build it back up and increase sales, revenue, and profitability. One of the first things I did was put together a computerised budget and cash flow based on the past year's sales and expenditures. I feel that financial planning is very important. It keeps the bank manager happy and it gives

me confidence and peace of mind. If you know on a monthly basis where you are with regards to sales and expenditure you can take corrective action before it is too late.

We have found the Nursery Business Improvement Scheme run by the HTA, whereby local nurseries meet quarterly and compare their costs, to be very useful and I would urge I.P.P.S. members to get involved. The more nurseries involved the more useful the scheme will be.

Once a provisional budget was put together, we planned the production, tying it carefully to sales. It is no good deciding to increase the sales budget without making sure there is the time, space, and other resources to achieve the extra production, and that you have a market. Chevin Nurseries does not trade at all and relies exclusively on its own production for its revenue. The main aim of the production strategy was to achieve a faster turn around of crops, growing more in the same space to increase productivity. Standard turnaround for propagation is 8 weeks and the nursery is so full and busy with propagation from March to June that it is always difficult to ensure that the potting for garden centre sales is done on time.

The nursery is well equipped, with two of the three glasshouses having benches with hot water heating, and the bigger glasshouse has mobile benches. There are air heaters and frost protection in two tunnels. In the last year we have invested further in labour saving equipment. For example, we used to deliver in a van fitted out with shelves, but we decided that it was time to move to Danish trolleys and buy a lorry with a tail lift, this has saved us a lot of double handling. We have also bought a Danish trolley transporter to move plants outside and in the tunnels directly onto Danish trolleys.

We have automated the irrigation system and aim to carry this further so that very little hand watering needs to be done, although I believe that you cannot totally eliminate hand watering, particularly for plug production, as it is so important to plant quality.

MANAGING THE EXISTING WORKFORCE

The experience has been in many ways very similar to that of an employee starting a new job. At first Mike Booth was very helpful and made allowances for my mistakes. The staff were cautious and I was aware that they were watching me and probably wondering “does she really know what she is doing?” I also found myself watching Mike Booth, mainly to see how he ran the business. I did not realise at the time but he was aware of it and it created some tension. Just as in a new job, you have to prove yourself and gain respect and it takes time.

When you want to introduce change, you therefore have to do it slowly and cautiously and have a good reason for doing it. This is easily forgotten when you are keen, and you want to make improvements. It is not always easy to ask why something is being done a certain way without making it sound disapproving. I am not a very patient or diplomatic person and this added to the tension. There were many times when one of us has walked off and one memorable occasion when both of us shouted at the other “I’ve had enough, I’m off.” But of course neither of us were off; we have nowhere to go. But after some months, we began to understand each other and to work together and we now get on very well.

I now realise that I am still working with people, so in some ways it is no different from the job I was doing as an employee. Being a small company we are a very skilled and committed team. We all get on well and everybody is willing to contribute

comments and advice. We all get involved in most things — taking cuttings, potting, talking to customers.

DISADVANTAGES OF BEING YOUR OWN BOSS

You work long hours and every bank holiday; it is more difficult to delegate because there are so few of you and you have to rely on yourself; you cannot leave jobs that need doing in the hope that somebody else will see to it because most of the time there is nobody else; you cannot pass on responsibility; you make your own mistakes but hopefully you learn from them.

Having two partners in the business helps a lot, there is somebody to bounce ideas on and I can always rely on Mike Booth to bring me back to earth with a bang when some of my ideas are not practical.

THE FUTURE

The main question is how much to expand, and in which direction to expand — propagation or saleable crop. We could sell more if we had the space and we need to increase turnover and profitability. However I am reluctant to employ more staff, loose touch, and have to spend more time in an office. I would like to earn a reasonable living and enjoy the work I do.

CONCLUSION

In conclusion having your own nursery is not for everyone, you need to be bloody-minded and have good nerves. It is stressful and tiring and there has been times when it has seemed too much, but that is no different to most jobs these days. Mostly you are in control and that makes all the difference. There is a lot of satisfaction in seeing a trolley full of good quality plants going out of the door, and to feel responsible and proud of it. You feel even better when you get the cheque in the post.