

Business Barometer January 2010

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Maintenance, Consumables Stable

Co-owner of a pond and water garden center in Spring Valley, N.Y.

This has been a trying year. We're working a lot harder for the same amount of dollars we've done in the past.

Water gardening has plateaued for a while. Our numbers are holding their own, but a lot of garden centers that were into water gardening are getting out of it.

Plants, from nursery to water garden, remain the biggest part of our business. Replacement pumps continue to sell, but there's not much new work.

We don't see many new big ponds going in. Installations are down about 30 percent. People are stressed and most homeowners work more and spend less time in the yard, so a pond is not on their radar at this point.

People come in for the repeat part of the business. They're buying fish foods, water clarity products and fish remedies. The repeat business remains fairly strong.

Plenty of people show interest in pondless waterfalls, pondless fountains and smaller ponds. They still want those items when they can manage within their budgets. Many people do it themselves.

There's good business in maintenance. We always receive calls to maintain ponds.

Foot Traffic Down, Average Sales Up

Co-owner of a water garden and nursery center in Katy, Texas

Business is going well. We are up a tiny bit. We're getting small and big sales, but the middle sales are not happening. Foot traffic is down, but our average sales are up, which is a nice place to be.

Large projects are selling as well as big pieces like the whole fountain. Many people come in and buy the whole fountain setup to do themselves or for installation.

Right now, people think that they're probably not going to be able to trade up in their homes. Therefore, they want to make their homes the way they want them instead of the way they think the homes will sell.

Early Buys Indicate a Hopeful Season

Vice president and technical director for a pond product manufacturer in New Jersey

The results of our early-buy program indicate that business will be good. Orders have been higher than last year. There's a good chance we'll be up 8 to 12 percent over last year.

People were cautious when ordering last year, and we received many reorders. When they found out that consumables sales, such as water treatments and fish food, were not that affected by the economy, they placed reorders.

Some of the hard goods were down a bit because installations were down, but I've talked to several contractors who said business was strong or down very slightly from last year.

In general, the water garden industry probably weathered the economic slowdowns as well as or better than most industries. With the early buys up over the last year, we feel it's a good indication of people's confidence going into 2010.

Numbers Show Strong 2010 Start

President of a pond product manufacturer in Islandia, N.Y.

Business is going fairly well. October was one of the better months in our history. Based on our early-buy programs, 2010 is starting out stronger than the past two years.

Fish, Plants Continue to Sell in Cold Weather

Co-owner of an aquatic garden center in Greenville, Va.

Business is typically slow this time of the year, but we're even slower due to the economy. We definitely had an off year, but it was better than expected.

The gift items in our store continue to sell when people come in for other things. They make great add-on sales.

People are doing repairs, so we're selling well. The fall season brings netting customers and cold-water fish food customers.

We're still selling fish and, surprisingly, plants. People come in understanding that the plant already froze back on top and looks dormant, but it's fine and can be put in so it's ready for the spring season. Fish always are good when the water gets cold because they transfer from one place to another easier when they're cold.

People install ponds during winter with the idea that they are getting a jump on the spring season. They have other gardening things to do when spring hits.

Rain Hurts Pacific Northwest

Co-owner of water garden center in Eugene, Ore.

We're significantly down this year because of the economy and the weather the past two seasons. Most of our sales happen in spring and summer, but the rain in 2008 and 2009 hurt us. We hope 2010 brings average or better weather.

The contractor installs we've seen and hear from others are down 50 to 70 percent on the West Coast. We're fortunate that a larger percentage of our sales are not directly to contractors. Pond installations continue, but it's the end customer installing instead of a contractor.

Personal Contact Promotes Business Relationships, Sales

A pond contractor in Lincoln, Neb.

It's been a very good year with consistent refits, upgrades and the maintenance. There's not much new stuff going on.

Trends are basically to upgrade the product they have. Owners may make the feature bigger, add filtration or redo the waterfall.

Compared to last year, business is significantly better. I'd say it's about 40 to 50 percent better for me compared to last year.

I kept in contact with my clients, sent out the normal cleanout letters and stopped by to see them if I was in the neighborhood. I paid better attention to personal contact this year. It shows clients that you want to be involved with them.

Service, Maintenance Prove Recession Resistant

A pond contractor in Atlanta, Ga.

Business stinks. We went through a 20-month mandatory Level 4 drought, and everything to do with water just shut down. Then, late last summer was the start of the economic slump. People still are doing some things, but nothing like we had three years ago before the drought and economic challenges.

Without a robust service and maintenance division, we'd of gone under months ago. Service and maintenance in pond and water garden businesses are pretty much recession resistant.

People don't think about doing anything outside this time of year. There's very little new construction that goes on outdoors in the Atlanta market, so you've got to have reserves to get you through the slow spot. Because we do ponds exclusively, we build up reserves during the good times to carry us through the slow times.

Maintenance Products Keep Business Growing

President of a pond product manufacturer in Marine City, Mich.

Our business is doing fairly well. We grew about 18 percent last year and about 15 percent this year. In years past we were growing at 20 to 25 percent.

The good thing for us is that we sell products people need to maintain their ponds. If the pond already exists, we have the products to support it.

The professional side to our wholesale business on water garden equipment. I see that slowing down because less professional installation is happening. The higher-end DIYers side is increasing because as the money tightens, people still want to build a pond, they just might not hire the professional to do it.

People want to spend less money when they do spend, so they're making a smaller purchases. Our average order is getting smaller, but our number of orders has increased.

People continue to get excited about water features. It's something they enjoy. We need to encourage contractors to keep using water features as a tool to get them extra income when they're doing an install or a landscape.

Because we have a pretty broad business -- service, mail-order, retail, website and wholesale -- we cover pretty much all the bases. Our contractor wholesale side is doing the least amount of growing. Our Internet has grown the most. Service is staying flat.