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Today explored the significance of the subject to each major segment of our industry, from growing to distributing; from landscaping to retailing. Sustainability has also been covered, with valuable web links, in ANLA's e-news and will be discussed on our division tours this summer.

The result of all this attention is a growing awareness of what sustainability as an operating and marketing concept can mean to our industry. It's

When that happens, developers, municipalities, and builders supporting the "green building" concept will receive credit for including full-scale landscaping in their plans and projects—from the very beginning of the project. In those instances where green buildings are mandated or receive special tax treatment, our industry's products and services will benefit exponentially. A great strategic move.

As our member owners negotiate the rough spots of fuel costs, the housing slump, wet weather, and labor availability, somebody needs to be ahead of the group, scouting opportunities over the horizon. While you, the wagon owners, have your shoulders to the wheels, prying them out of the current ruts, the long-term success of the wagon train depends on the scouts and the trail guide.

ANLA seeks to be the scouts and the guide to lead the industry's pioneers to the next more fruitful plain. To that end, ANLA has turned its attention to two strategic initiatives that can positively influence your future success.

### *Sustainability*

With just a wee bit of fanfare, ANLA is moving forward with its investigation of how the concept of sustainability can be positively harnessed by the nursery and landscape industry. In 2008, sustainability became a topic of interest in all dimensions of our association activity.

The Management Clinic featured an entire educational track on the topic. The January 2008 issue of ANLA

# Sustainability &

an opportunity to look at how we can improve the bottom-line through innovation in production practices, service modifications and re-thinking how we do what we do to reduce waste—of energy, inputs, and logistics. It's also an opportunity to tell the good story of the role of landscaping in enhancing the managed environment.

Much of this is still tactical in nature, so what is ANLA doing strategically with sustainability?

Most significantly, ANLA and our Horticultural Research Institute (HRI) are putting full support behind the Sustainable Sites Initiative (SSI). SSI is developing criteria and a rating system of best and sustainable management practices for designing, installing, and maintaining managed landscapes. The endgame is to have these landscape practices rolled into the U.S. Green Building Council's highly-regarded LEED certification program.

### *Monetizing The Value Of Landscaping*

While the sustainability initiative offers us the opportunity to promote the mostly invisible environmental benefits of good landscaping, ANLA has a second strategic initiative that can be even more beneficial: Monetizing the value of landscaping.

Through the seven generations since its founding in 1876, ANLA has been entreated to do something about "enhancing the perceived value of plants." The first extensive discussion of this goal appears in annual meeting transcripts in the 1890s. That has been followed by nine successive efforts to launch and maintain some sort of industry marketing/ promotion campaign. The intention of such campaigns is to sell more plants at prices we all dream of. In fact, there are discussions going on right now looking at launching the tenth such campaign.

While those discussions ensue, ANLA is taking a different and complementary approach: developing the information base and institutional wherewithal to make landscaping a

financial asset whose worth can be reliably and consistently measured over time—and then insured to its full value. When that happens, our industry can confidently make its case for additional major investments in landscaping, and equally significantly, make our case for the importance of water availability to maintain that asset.

Several years ago, ANLA endorsed Horticultural Asset Management, Inc (HMI), a start-up company in North Carolina. HMI's goal was to build a comprehensive database of horticultural and plant pricing information. This information would allow for the dollar

production against acute weather events and other perils. It is currently offered in 18 southern states, with the remaining states coming online by December 2009.

### *Significant features include the following:*

■ This program is available as a stand alone policy or can be “wrapped” around the catastrophic coverage available through the Federal Crop Insurance Program.

■ The coverage is available for field-grown, as well as containerized and greenhouse plant material.

residential and personal property. We're talking about trees and shrubs being financially replaceable in a fashion similar to jewelry, one-of-a-kind art, and—of course—that \$6,000 Wolf stove used to heat the homeowner's carry-out dinner. It becomes an answer to the landscape client who asks, “What happens after the plant guarantee expires?”

(I can even dream about the day that high-end home-builders start offering high-quality landscaping as part of the McMansion development. Even after 17 years on this job, it rankles me to see a new faux chateau selling in the seven figures with a \$3,000 landscape.)

# the Value of Plants

value of plants in an installed landscape to be assessed, and then that value to be projected over time. After much effort and the cooperation of dozens of ANLA grower members, that database now exists. Qualified individuals can now assess a landscape and project its value increase over a 10-year period. For details go to [www.moneygrowsontrees.com](http://www.moneygrowsontrees.com).

Here's the key: With this database now operational, several insurance companies have begun offering custom-written insurance coverage. This coverage will reimburse a landowner for the full dollar loss of plant material due to acute weather, fire, and other named perils.

These policies are already being actively sold to “high-end” estate owners and are becoming available to such other landowners as golf courses and arboreta. The Golf Course Owners Association is developing an insurance program for its members based on this coverage.

ANLA has also endorsed this program, Live Asset Insurance, for insuring nursery and greenhouse crop

■ The policy has variable deductibles and can be customized to fit specific growing operations.

■ Plant inventory valuation is determined using HMI's database, and loss adjustment is conducted by qualified horticulturists and arborists.

■ The policy may be bought directly or secured through your own insurance broker.

For details, go to [www.liveasset-insurance.com](http://www.liveasset-insurance.com).

This coverage can also be secured to insure loss of plant material in other industry businesses, including distribution and retail companies. Commercial and residential customers of industry businesses can also purchase coverage.

### *What To Expect?*

Assuming Live Asset Insurance takes off (with the involvement of all of us), what can we expect “over the horizon”?

Transforming landscaping to an insurable asset will put our industry's products and services on a par with the currently insurable “upgrades” in

For commercial developers and building owners, this monetized landscape dovetails nicely with their growing interest in green buildings and upgrading older properties.

Taking it one step further to the municipal government level, even if the city self-insures landscape losses, the prospect of Draconian water restrictions “costing” the city millions of dollars of lost assets in their own plant portfolio has significant political implications. It also creates citizen awareness of the value of green spaces. The ultimate payoff could even be the inclusion of landscaping in the property appraisers' calculations.

### *It's All About Value*

Come to think of it, both the sustainability and the monetizing landscaping initiatives boil down to “enhancing the perceived value of plants” in the mind of the homeowner, the city citizen and the people who build our shelters from the elements. It's a quest that's gone on for 132 years, and I think the plains beyond the next hill can be the most verdant—in every sense of green.