Good news, bad news

Do you want the good news first or last? Okay, first the good news.

Because home mortgage rates are more than 10 percent, more homeowners are spending money to fix up their existing homes and residential landscaping is a big part of that. But "gardening" is not an "in" hobby as much any more, says Lawrence Chimerine, Ph.D., who has worked for the Department of Commerce and Bureau of Labor Statistics. "There has been a trend to use outside lawn services, and that trend seems to remain in place."

Chimerine, chairman and chief executive officer of Wharton Econometrics (formerly Chase Econometrics), made his observation at July's Outdoor Power Equipment Expo in Louisville, Ky. Now the bad news, via Chimerine's other predictions:

- This has been the most uneven period of economic performance, at least back to the 1930s. And a number of sectors haven't recovered from the recent recession at all. "We may continue to muddle along for the next six or seven years," he says.

The recent surge in consumer spending and housing activity are both being reversed. "The consumer is already drowning in debt," Chimerine says. "The forward momentum is just about over, and I think you have to look at your industry now."

- There will be income tax changes. "Maybe not until we get another President," he observes. "Many (of the next new laws) could impact on the upper income groups" who are purchasers of lawn and landscape services.

Yuppie power and horticulture

Growth in the horticulture service industry has been increasing steadily over the past few years for a number of reasons, but one horticulture professor thinks it has something to do with yuppies.

"It is part of the yuppie image, having a beautiful garden along with an expensive car and a swimming pool," says David J. Beattie, Ph.D., professor of horticulture at Penn State University.

He adds, "Europeans have been ahead of us in wanting beautiful gardens." He notes that American society is picking up on this.

Job opportunities are up while candidates for those jobs are down. Penn State has about 125 undergraduate students in horticulture compared with 400 in 1983. Beattie attributes this decline to students, desire for green other than plants.

Bruno C. Moser, Ph.D., Purdue University concurs. "I think the association in students' minds with agriculture and the poor farm economy is a reason because most horticulture classes are in schools of agriculture."