

Good afternoon everyone,

Here are some notes from the Floral state of the industry. These are the reasons why there is such a severe stem shortage. Some items I will be sourcing from other farms so we do not go without products, with that said Pricing, upc and case count can change. Most recipes will be very close to the original. Please call with any questions.

Three Main reasons

- 1) Weather-high relative humidity in recent days have slowed to stopped production in certain crops and have caused shortage in production scheduling.
- 2) Awakening of the Wholesale channel - we have seen a Huge jump in the Wholesale single stem bulk products demand - (if you look at total stems shipped , it is similar to last year)

This jump is by far the most profitable for a flower growers. The labor of boxing a bulk flower crop at farm level and then placing it on an airplane is by far the easier and also does not use any of the labor infrastructure in Bouquet production.

Right now, farms are selling floral much better per stem-bulk , on account of demand in this channel. The suppliers of this bulk single stem , many times are a third party grower. These farms many times sell their product in Latin America to bouquet operations.

Not having these stems to draw from is generating a tightening of the mass market- grocery marketplace therefore an increase in demand and price for bouquets is in the future.

- 3) The growth in E - Commerce demand over the last 12 months due to Covid pandemic is causing issues in this channel as well , this has begun to draw large amounts of stems on a much more regular basis.

As the Supermarket channel has for a long time now, drawn for the industry at very low to below price - leaving little margin much of the year ... I think the growers are seeing a time to enjoy some profit with this new current paradigm in bulk stem sales.

How long will it last ? .. in discussion with all three channels , seems the Wholesale channel is just now awakening and soon we again we will have parties, weddings and funerals. This may continue for 12 - 18 months ...

As to E Commerce - they may run their course through moms day and then have last years sales again (record numbers last year, but no increase this upcoming).

The supermarket channel may need to pay more per stem ... in order to regain the balance needed.

Statistics per stem

Import Volumes

in 1,000 stem count

Product	2021	2020	Diff	%
Alstroemeria	48631	54591	-5960	-10.92%
Colombia	46978	53278	-6300	-11.82%
Ecuador	1032	1011	21	2.08%
Mexico	571	256	315	123.05%
Anthurium	74	143	-69	-48.25%
Aster	5463	5709	-246	-4.31%
Colombia	3279	3436	-157	-4.57%
Ecuador	1421	1702	-281	-16.51%
Mexico	684	445	239	53.71%
Bells	2146	1896	250	13.19%
Colombia	283	360	-77	-21.39%
Ecuador	1591	1362	229	16.81%
Mexico	272	174	98	56.32%
Birds	554	589	-35	-5.94%
Colombia	237	82	155	189.02%
Guatemala	217	396	-179	-45.20%
Mexico	73	71	2	2.82%
Callas	3566	3570	-4	-0.11%
Colombia	2031	1377	654	47.49%
Ecuador	1458	1931	-473	-24.50%
Netherlands	10	105	-95	-90.48%
Carnations	79222	81614	-2392	-2.93%
Colombia	72943	76217	-3274	-4.30%
Ecuador	2389	3547	-1158	-32.65%
Mexico	3848	1610	2238	139.01%

<u>Mini Carnations</u>	43138	47604	-4466	-9.38%
Colombia	42472	47197	-4725	-10.01%
Ecuador	524	151	373	247.02%
Mexico	138	203	-65	-32.02%
<u>Chamaedorea</u>	5652	7498	-1846	-24.62%
Guatemala	2169	3286	-1117	-33.99%
Mexico	2031	3538	-1507	-42.59%
<u>Chrysanthemums</u>	26120	26303	-183	-0.70%
Colombia	23463	24372	-909	-3.73%
Ecuador	1737	1454	283	19.46%
<u>Delphinium</u>	5411	5172	239	4.62%
Colombia	181	103	78	75.73%
Ecuador	4513	3976	537	13.51%
Mexico	355	728	-373	-51.24%
Peru	344	329	15	4.56%
<u>Freesia</u>	105	686	-581	-84.69%
Netherlands	101	677	-576	-85.08%
<u>Gerbera</u>	4833	5040	-207	-4.11%
Colombia	3754	3930	-176	-4.48%
Ecuador	249	203	46	22.66%
Guatemala	37	108	-71	-65.74%
Mexico	523	312	211	67.63%
<u>Gladiola</u>	4324	1923	2401	124.86%
Mexico	2790	1375	1415	102.91%
<u>Gypsophila</u>	25468	27693	-2225	-8.03%
Colombia	3410	3664	-254	-6.93%
Ecuador	21388	23469	-2081	-8.87%
<u>Hydrangea</u>	17339	18746	-1407	-7.51%
Colombia	17015	18592	-1577	-8.48%
Ecuador	41	13	28	215.38%
<u>Hypericum</u>	6885	7416	-531	-7.16%
Ecuador	464	137	327	238.69%
Ethiopia	5289	4973	316	6.35%
<u>Iris</u>	236	387	-151	-39.02%
Costa Rica	131	184	-53	-28.80%
<u>Liatris</u>	1751	1910	-159	-8.32%
Colombia	230	277	-47	-16.97%
Dominican Republic	220	280	-60	-21.43%
Ecuador	591	665	-74	-11.13%
Peru	688	675	13	1.93%
<u>Lilies</u>	17468	15581	1887	12.11%

Colombia	5222	4723	499	10.57%
Costa Rica	5463	5265	198	3.76%
Ecuador	4299	3896	403	10.34%
Mexico	1915	832	1083	130.17%
Lisianthus	923	1047	-124	-11.84%
Ecuador	745	728	17	2.34%
Israel	53	124	-71	-57.26%
Netherlands	63	131	-68	-51.91%
Orchids-Cymbidiums	64	107	-43	-40.19%
Orchids-Dendrobium	2877	5107	-2230	-43.67%
Orchids-Other	209	498	-289	-58.03%
Pompons	101620	100389	1231	1.23%
Colombia	100808	100262	546	0.54%
Ecuador	617	124	493	397.58%
Roses	393255	381999	11256	2.95%
Colombia	196486	200190	-3704	-1.85%
Ecuador	180770	168832	11938	7.07%
Guatemala	3663	4696	-1033	-22.00%
Kenya	200	1079	-879	-81.46%
Mexico	10497	4378	6119	139.77%
Snapdragons	3529	2613	916	35.06%
Colombia	1939	1596	343	21.49%
Guatemala	346	415	-69	-16.63%
Mexico	937	503	434	86.28%
Solidago	6306	5397	909	16.84%
Colombia	3964	3661	303	8.28%
Ecuador	1537	1154	383	33.19%
Mexico	804	503	301	59.84%
Statice	10514	11512	-998	-8.67%
Colombia	6086	6505	-419	-6.44%
Ecuador	3046	4153	-1107	-26.66%
Mexico	1215	705	510	72.34%
Tulips	13631	18204	-4573	-25.12%
Other	47157	48319	-1162	-2.40%
Colombia	5540	5747	-207	-3.60%
Ecuador	22910	16291	6619	40.63%
Mexico	8179	5333	2846	53.37%
Leatherleaf	4263	7480	-3217	-43.01%
Misc Greens	27973	24025	3948	16.43%
Colombia	13388	12984	404	3.11%

Costa Rica	3985	3096	889	28.71%
Mexico	5994	2335	3659	156.70%
Total without Bouquets	910707	920768	-10061	-1.09%

Mixed Bouquets	416524	332274	84250	25.36%
Colombia	357702	290639	67063	23.07%
Costa Rica	2105	1178	927	78.69%
Ecuador	47714	36170	11544	31.92%
Mexico	8119	3628	4491	123.79%
Rose Bouquets	95119	103483	-8364	-8.08%
Colombia	73123	86763	-13640	-15.72%
Ecuador	18700	12424	6276	50.52%
Guatemala	2688	2669	19	0.71%
Total of Bouquets	511643	435757	75886	17.41%

Total of all Flowers	1422350	1356525	65825	4.85%
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