



## MILLIONS OF TREES BEING DESTROYED

*An industry more severely impacted than residential construction, and just when everyone was "going green." A local nursery brings light to the collateral damage of a real estate meltdown.*

**Lenexa, KS – May 27, 2009** – As real estate development slows to a halt, repercussions are felt throughout the green industry. Projects are put on hold and budgets are cut while the trees produced for new construction continue to grow, unsold. As they become too costly to transplant, these trees are being destroyed. Nurseries across the country have been left in a place of severe oversupply, and without capital to re-plant, an extreme national shortage of trees is forecasted by 2012.

Perhaps nowhere are the laws of supply and demand more acute than in the nursery business, where it takes years for the two forces to have any affect on each other. Unlike most agricultural products that have a short production cycle, trees are generally a three to five year crop. Trees gain value as they grow, but only to a certain point. Once they mature beyond a 5 or 6-inch caliper size, it becomes too costly to sell, transport, and plant larger nursery stock than simply to burn them.

With today's economic challenges, most nurseries lack the capital needed to replant seedlings and continue growing. In three years, when markets rebound and demand for trees has returned, they will be practically nonexistent in the marketplace.

Thousands of trees locally and millions of trees nationally are being destroyed as a result of the recent economic downturn. Hermes Nursery of Shawnee, KS is one of many growers across the region that, if unable to sell their inventory by the end of the year, will continue to bull-doze and burn their inventory of 120,000 trees.

There is, however, good news in this, even great news. Never has there been a more optimal time to buy trees. With extreme scarcity looming in the future and tree prices at the lowest in 30 years, now is an ideal time to invest.

Trees are appreciating assets to any development project, with returns on investment that go beyond increased property value. They generate oxygen, absorb carbon emissions, prevent soil erosion, recycle contaminated water, even stimulate spending as consumers are proven to shop longer and pay more in well-landscaped areas. In the era of the green movement, they play a significant role in sustainable development.

The local green industry believes that investment in green infrastructure is ideally suited for government stimulus dollars. Without attention given to the issue, the year's economic slowdown will be devastating to local green business, the managed environment, and the overall nursery industry.

*Hermes Nursery in Shawnee, KS is a family-held company that has been in business since 1965. They grow over 80 varieties of trees and shrubs on over 600 acres.*

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