

JDUBOIS Horticulteur

Part A. Profile of business

JDUBOIS Horticulteur is a family-owned agrotouristic business, established in Béthune since 1958 and managed under the legal form of sole proprietorship. While attaching particular importance to the defense of nature, the authenticity and the defense of the environment, it mainly carries out three distinct but coherent activities.

Historically, vegetable production (garden plants and flowers) is the first and largest activity. The other activities are less important. However, this importance depends on the economic situation, and can vary from one year to another. The company naturally produces on its site in Béthune, flowers and vegetable plants labeled "organic". It provides everything that is summer flowering and winter flowering. The flowers are sold directly to the general public.



In parallel, the company also has a pedagogical welcome activity. She receives schools, classes and groups formed for training workshops on the plant. What is a plant? What is a seed? How it works? These are practical and educational workshops.



The third activity of the company is a service activity, so-called landscaping. These are works at home. These are concrete services: pruning, mowing, intervention on plantations, etc. But there is also a lot of advice: what's right or what's wrong, how to manage your garden in a natural mode, how to get rid of pesticides, etc.

It is also worth adding a last activity that started more recently. The company is participating in an online sales channel that allows people to order various local products on a website "short circuit" and come pick them up on Tuesday evening or Wednesday midday at its premises.



Part B. The family dimension of the business

The family business currently managed by Sonia and Jean Dubois, was created by Pierre Dubois, the father of Jean Dubois. Mr. Pierre Dubois managed the business alone from 1958 to 1963, then with his wife Marie-Jeanne from 1963 to 1997, date on which Jean Dubois took over the business. Jean was the youngest of Pierre's three children, but his two sisters did not want to participate in the takeover. He managed the farm alone for a few years before being joined by his wife Sonia in 2002. Since then, they run the business together. In addition to managing the operations, Jean also manages the service activity. Indeed, legislative constraints in France prohibit the activity of services from coexisting on the same legal structure. So this activity, like other auxiliary activities, is done under a separate legal structure.

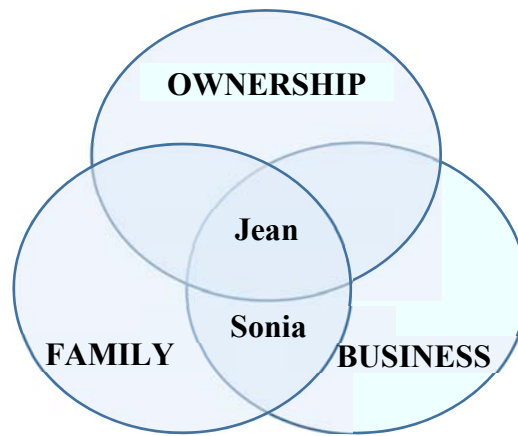


Figure 1 – JDUBOIS Horticulteur 3 circle-diagram

Although publicly, Sonia and Jean tend to display their different activities under the same business entity "JDUBOIS Horticulteur", in legal terms, they find themselves in a complicated mesh of structures.

Part C. Challenges and opportunities of business growth & succession

The activity of the company has dropped well compared to the 2000s when everything was still working well, with more interesting revenues. But the economic crisis has made people less interested in flowering. Sonia and Jean have had difficult years, when the business was below the break-even point.

The main challenge with vegetable production is that the sector is clearly in a very tight environment. The standard today is to buy from supermarkets. It's marginal to buy from the producer. The general public seems to be unaware that it is possible to buy directly from the producer. Thus, the pressure from supermarkets is felt more and more, to the detriment of small producers. Supermarkets work with industrial producers who produce huge units with mostly robotics, and charge too low prices. Small-scale producers with a craft vocation cannot therefore fight in terms of price in face of this competition. Overall, there were 13 establishments in the area in which JDUBOIS Horticulteur practices, 3 remain today. They have almost all disappeared. Many have gone bankrupt, and others have closed due to retirement and lack of successors. It is a profession that is in great danger of disappearing. The horticultural artisans are disappearing in favor of the distribution organized by the large corporations. It is not sure that this sector of activity continues to exist in a few years, because the market is completely owned by the specialized distribution, the garden centers of large groups.

However, changes in mentality and consumption patterns are beginning to appear and leave a real hope. More and more people are showing their desire to buy local. But it's going to be long, and it is necessary to hold on a good while.

As for educational welcome activities, there is still room for improvement. People really want to learn and discover. This is a sector that will progress.

For the service activity part, Jean finds himself with more work than he can produce. Its services are indeed quite specific compared to what other green space companies do. He does not really have a direct competitor. He can do more, but does not have the time or the desire. If he does more, it would be to the detriment of plant production that remains his core business. However, it seems absurd to develop auxiliary activities (services) and let die the main activity (plant production), because all its legitimacy is based on its quality of producer.

As for the succession issue, if the transition from the 1st to the 2nd generation was done naturally, the involvement of the third generation is much less obvious. Indeed, Sonia and Jean have four children who follow with interest the evolution of the business. But unlike Jean who was keen to take over the business of his parents, his children do not necessarily predestinate to takeover. This is not currently in their plans, and Sonia and Jean do not wish to impose anything on them.

Part D. The entrepreneurial dimension

The entrepreneurial dimension that has greatly contributed to the success of JDUBOIS Horticulteur is the diversification, the proximity and the craft vocation. These choices have had sizable impact on the company and have allowed it to survive until today.

The farm was set up on the outskirts of town when it was created by Pierre Dubois, Jean's father. It was pastures, fields; the business was in the countryside, the city was just behind. But since then, the city has grown, the University has established on the other side, and the company was swallowed up in the town. The location has become commercially not very good: a producer in the center of the city. The price per square meter of the land has become more expensive. This had the effect of preventing any expansion project and limiting the business to a small size. It's one of the smaller farms. When Jean had taken over in 1997, the choice was therefore to go out (commercially better) to recreate larger, or to stay craft and not to move. He made the choice to stay in place, which economically was not the right choice. It was more interesting to move to the outskirts of town, to do something bigger to sell a lot, and to produce on a large scale (semi-industrial).

But today, things are changing, people come back to the local, come back to the proximity. The classical clientele came to buy flowers, and did not ask too much about what it is. But a new clientele of young people is emerging (in their thirties and younger generations), who is much more interested in the production process and in the environmental consequences. They are interested in the farm of Sonia and Jean Dubois who have more than fifteen years' experience of zero chemical product. They do not treat their production unlike other producers who are in a logic of chemical production. And it is this difference that is starting to be felt: the choice of artisanal production (to remain small) and the proximity (to stay in town), which was bad for the context of the time, is now turning into a real asset for the future. The changes in behavior are opening, for Sonia and Jean, pathways to markets which the supermarkets will not be able to reach. They have a good head start in production in organic farming, and in the pedagogical welcome activity. So, they will be able to enjoy all the work they have had to perform before. People are asking for more and more organic food, and more and more want to learn how to grow plants. This creates for JDUBOIS Horticulteur, several competitive advantages. On the one hand, the production is totally organic, which is not yet accessible to the large groups of supermarkets even if it is their ambition. Naturally produced plants are the most beautiful and the most sustainable. On the other hand, the sale is done by the producers themselves, hence a strong advice capacity. Sonia and Jean know their plants. They have been growing them for over ten years. They therefore sell with advice. This is very appreciated by the customers and contributes to their loyalty. The supermarkets buy plants and resells them, it does not really know them. The plant is alive, people need to know what are its needs: should we put it in the shade, should we put it in the sun, does it require a lot of water? All this dimension of advice is totally absent with supermarkets. In addition, production and sales are made locally while industrial production seeks to go as far as possible. It is an essential asset, the fact that the customer is in direct contact with the producer.

Key Partners *Suppliers in plants and seeds *The label “Organic” *The short-circuit	Key Activities *Advice in gardening *Flower production *Horticulture *Garden plant production	Value Proposition * Selling the plant adapted to the demand of the individual (tailor-made) * Superior environmental quality	Customer Relationships * Customer profile and website * Intervention on the media * Lounges outside * Social networks	Customer Segments * Historical customers * New clientele, ecological trend
	Key Resources * The history of the company * Tools *The know-how * The Organic label		Channels *Web, Facebook, *The association “savoir vert” *Signage on the vehicule	
Cost Structure * Heating * Raw materials (potting soil ...) * The containers (pots ...) * Various services (electricity ...)		Revenue Streams * Sale of plants and services in gardens * Sale of workshops * Educational welcome		

Table 1. JDUBOIS Horticulteur’s Business Model

Diversification has clearly been a good initiative and has allowed the business to continue. However, in France, when you are an individual farmer, the revenue from commercial or non-commercial activities must not exceed 30% of the revenue from agricultural activity. Which is difficult to control. Sonia and Jean had to create several entities: an entity for the production, an entity for the services, an entity for the local products. When an activity is deficient, it is necessary to find a montage so that the others compensate, whereas if everything were in the same structure, it would balance more easily. The legal structuring of these activities has led to administrative costs and burdens that make it today difficult to manage, it has become too complex. The choice to diversify but to have different legal structures shows a bit of its limits today. Sonia and Jean aim for 2018 to merge all the activities in a single administrative unit, a single company. It's easier to manage than all this legal stacking that costs them finally a lot of money and that does not allow them to make a progress. They are currently working on this: to put everything flat, decide on a new legal structure, but while keeping the plant and flower production since it is the heart of the business.

Part E. Family entrepreneurialism: Lessons & conclusion

To succeed in family entrepreneurship, Sonia and Jean's advice, drawn from their experience in the family management of the farm JDUBOIS Horticulteur, is: adapt, diversify, train, work a lot, get advice.

Adapt. The world is changing so fast that you always have to be one step ahead of what's going to happen. The changes have mostly exploded over the last five years: online sales, the entry of large retailers (supermarkets), specialized distributions, all this redistributed the cards with a sizable speed.

Sonia and Jean have seen most of their suppliers disappear, the companies they work with, and even the training centers have almost all disappeared.

Diversify. The future is clearly a mix, it can no longer be a single-product activity. It is no longer imaginable to have a single production activity. The ideal is to have a broader model, an ability to sell products, but also an ability to sell services, to sell advice, to do training and educational welcome activity.

Train. If the father of Jean (Pierre Dubois) who created the business managed to run it without having commercial training, it is certainly because it was not a problem at the time. It was enough to say that we sell, and it went. Today, one must necessarily train in various fields. In craft professions, you have to be very versatile. For example, Sonia and Jean have made all the greenhouses they have. They are self-builders of all their buildings. So you have to be able to build the buildings, you have to be able to manage, you have to be able to do marketing, to communicate, to be a good salesperson. It's far too many caps, and there is necessarily a competence we do not have. You have to know how to identify it and train on it. It can help to avoid mistakes that can be very expensive. You have to learn from experiences, learn about trends, new technologies. Do not hesitate to send the new generations to work elsewhere and to learn good practices.

Work a lot. It's all well and good for a small family business with a good reputation and good practices. Family management is an advantage, but you have to get along well. For example, being family members in the company is much easier, but it is also a burden because work does not stop when you come home from work. Sonia and Jean who live on the farm, have often had the classic case of heating that breaks down in the middle of the night. In these cases, you may consider that you are sleeping and not working, but the next morning all your production is reduced to nothing. It is therefore necessary to stand up and find a solution; and then the next day you have to go to work. It does not stop. When there is more work, it necessarily overflows on privacy. So the family business owners are their own boss, they are independent, everything we want. But when there is a storm that destroys the farm, there is nothing to be done but to get back to work and rebuild everything. Insurance companies do not generally cover these types of risks for these types of farms.

Get advice. The choice of advice is very important. It is necessary to have real specialists who know how to determine what is relevant or not for you. Sonia and Jean have been remarkably poorly advised by their management centers. The latter are in fact accustomed to advise conventional agricultural enterprises, while horticulture is so specific. They try to apply the same system, but it does not work.