## PROFITABILITY ANALYSIS OF FRUIT NURSERIES IN TALISAY, BATANGAS

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## ABSTRACT

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This study was conducted for the purpose of determining the profitability of fruit nurseries in Talisay, Batangas. Specifically, it aimed to: 1) describe the characteristics of the respondents and their farms; 2) describe the marketing practices of the nursery project owners; 3) evaluate the performance of fruit nurseries in terms of income generated; 4) determine the relationship between profitability and some selected variables; and 5) identify the production and marketing problems encountered by the nursery owners.

This was conducted in five selected Barangays, namely: Banga, Sata. Maria, Buco, and Caloocan on November and December 1999. A total of 85 respondents were selected at random.

Generally, the nursery owners were in their forties with an average age of 42 years and were able to reach college level of education. The average size of household was 5 with an average length of farm experience of 16 years in fruit nursery operation. The capital averaged was P50,556 per 1,000 square meters. They had an average of 2,121 square meter land devoted to nursery and they considered fruit nursery as their major source of income.

The most common fruit trees being raised and propagated by the respondents were mango, citrus, santol, tamarind, macopa, guava and duhat. They usually sold their products both at nursery proper and outside the province.

Generally, the average production obtained from the business by the respondents was 9,708 nursery stocks per 1,000 square meters. With respect to income obtained, the average gross income and net income was P 115,740 and P65,184 per annum per 1,000 square meters, respectively.

Results of the chi-square showed that the number of types of fruits offered by the nursery owners, farm experience, number of competitors as well as price were found not to be significantly related to profitability, while capital and number of nursery stocks were found to be significantly related to profitability of fruit nurseries.

The major problems encountered by the respondents in the production and marketing of nursery stocks were: lack of capital, bad debts, price and supply of raw materials and stiff competition.

It is recommended that as much as possible those who are raising only a few nursery stocks should try to add some more to their stocks. However this expansion needs the help and cooperation of the local government and private sector. Banking institutions must extend credit to nursery owners possibly with lower interest. It is also recommended that the prospective owners should try to attend seminars and workshops related to this venture in order to be equipped with the technical know-how and skills in nursery propagation.

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