5 Collaborating to Compete: The Case of Northwest Ohio’s Greenhouse Industry

N. Reid, Department of Geography and Planning The Urban Affairs Center The University of Toledo, Toledo, Ohio

M. Carroll, Department of Economics Center for Regional Development Bowling Green State University, Bowling Green, Ohio

“\textbf{If we don’t pull together to identify and solve our own problems, we will surely lose a number of greenhouses.}”

5.1 Introduction

Faced with increasing international competition that is threatening their livelihood a number of greenhouse owners in northwest Ohio have adopted a cluster-based strategy in an attempt to remain competitive. Initiated and designed by university researchers and supported by funding from the United States Department of Agriculture this strategy centered around getting individual greenhouse owners to work collaboratively to address industry-wide challenges. The challenges addressed by this strategy are too large or too complex for individual growers to tackles by themselves. Challenges such as high energy costs and the lack of a market presence are beyond the scope of individual greenhouse owners to address.

Working together with other greenhouse growers in the region and identifying collaborative solutions to these industry-wide problems is probably the only mechanism by which these, and similar challenges, can be successfully addressed. However, getting individual greenhouse owners to work collaboratively with each other is a major challenge in itself. Historically, many of the growers in northwest Ohio are fiercely independent. They are used to working by themselves. Collaboration is not part of their vocabulary. As a result, the level of trust between greenhouse owners tends to be low. Most of the growers in the region compete with each other for market share. They view each other as competitors, not collaborators. However, overcoming this resistance to collaboration was critical if a cluster-based approach to addressing the challenges facing the industry was going to take root and evolve into a viable competitive strategy.

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\textsuperscript{1} Dick Bostdorff, owner, Bostdorff Greenhouse Acres, Bowling Green, Ohio (Bowling Green State University, 2005).
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\textit{J. Gatrell and N. Reid (eds.), Enterprising Worlds, 41–56.} © 2006 Springer.
In this chapter we describe the process used to get growers to think and act in a collaborative fashion and to assess the result of these efforts to date. Following this introductory section the remainder of this chapter is organized as follows. In section 2 we describe the philosophy underpinning cluster-based economic development. This is followed, in section 3, by a description of the major competitive challenges facing northwest Ohio’s greenhouse industry. In section 4 we describe the genesis and evolution of northwest Ohio’s greenhouse cluster. Next, in section 5, we describe the first collaborative project undertaken by the cluster – namely branding and marketing. In section 6 we conclude with some thought regarding the evolution of the cluster to date and identify some of the major challenges for its future development.

### 5.2 Cluster-Based Economic Development

Economic development strategies organized around a cluster-based approach are increasingly common. Currently, there are over five hundred such initiatives worldwide (Solvell et al, 2003). Communities from San Diego (SANDAG 2001) to South Africa (Sunday Times, South Africa 1997) are pinning much of their economic future on what they are calling cluster-based economic development, while industries ranging from thoroughbred horses (Akoojie 2000) to Formula One racing cars (Henry and Pinch 2001) are being produced by businesses that are part of an industrial cluster. Despite the popularity of cluster-based economic development there is an emerging literature that is highly critical of this particular approach (e.g., Martin and Sunley 2003, Taylor 2005). It is not the purpose of this chapter, however, to review or assess the validity of the anti-cluster literature. Our objective, here, is to simply outline the genesis and evolution of an effort to enhance the economic competitiveness of the greenhouse industry in northwest Ohio. We use the term “cluster” as the organizing framework for this effort. We will leave it to others to argue over whether what we are doing in northwest Ohio is really cluster-based economic development. Having said that, we believe that it is important that we outline our understanding of cluster-based economic development, and to define the concept as we have applied it to the northwest Ohio greenhouse industry.

While there are an alarmingly large number of definitions of what is meant by an industrial cluster and cluster-based economic development (Martin and Sunley 2003) we used, as our starting operational definition, that provided by Porter (1998, 78):

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2 The project described in this chapter is an ongoing one. The results reported here represent the status of the project at the time of writing. For the current status of the project please contact the authors.