

OREGON is *Nursery Country*



Rufino Reyes (left) and his son Jimmy say that the size of their business allows them to be hands-on in the day-to-day operations of the nursery and maintain a high quality for their plant material. PHOTO BY VIC PANICHKUL

FOUNDED
1998

OWNERS
Rufino Reyes

KNOWN FOR
Conifers, Japanese maples, deciduous and ornamental trees as well as evergreens like Arborvitae, Boxwoods and more.

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PALMER CREEK NURSERY

BY VIC PANICHKUL

The idea for **Palmer Creek Nursery** sprouted in Rufino Reyes' suburban back yard, literally.

He was working at the time at Scalvini Nursery in Dayton, Oregon and purchased a house in McMinnville in 1997. "I started doing a little bit of back-yard growing in 1998," Rufino said. "I built a very small greenhouse in my back yard, and I started producing cuttings of boxwoods and also grafting material."

Next thing he knew, he had his first sale, to Patterson Nursery Sales. "They took a look at my grafting material and liked

what they saw and placed a big order," Rufino said. "They sent a big flatbed truck to pick it up and I looked out the window and they filled the driveway and blocked the street. We had to quickly load it in order to get the truck out of the street."

From that beginning, Palmer Creek has evolved into a grower specializing in field-grown and potted conifers, evergreens, maples and deciduous ornamentals. Its customer base includes growers, retail garden centers, brokers and wholesalers. The nursery ships its plants nationwide, however the majority of its



Palmer Creek Nursery began in the backyard of a suburban home with one greenhouse and has grown into a 36-acre nursery today that includes two farms. PHOTO BY VIC PANICKUL

customers are on the East Coast, Midwest and West Coast.

The early years

Rufino quickly outgrew his backyard greenhouse and in 1999 he rented a little property of about 3,000 square feet at Janzen Farm in Dayton. He put up two greenhouses on that land, but there was no access to water, so he had to truck the water there.

The situation became impractical so he found another site off Highway 18 in Dayton with 5 acres and plenty of access to water. He leased it for a few years but discovered the site had its own problem, flooding. “One year I had bad flooding and the plants were underwater and I lost a lot of baby plants,” Rufino said.

But in 2001, an opportunity came his way that seemed ideal at first, but almost undid him.

The original owner of the 16-acre property in Dayton where the nursery is now located donated the land to a church and the church approached him with an offer to lease the land. They asked him if he was interested in purchasing it, but Rufino told

them he didn’t have the funds to do so.

“They came back to me and said they’d give me a private contract and I can make payments 10 years and then make a balloon payment to purchase the land,” Rufino said. “I thought about it and finally I decided to do it. When we wrote the contract, he gave me 7.5% interest rate. The terms were for 10 years. If after 10 years, I can’t make the balloon payment then he can take everything. I took the papers to a real estate agency, and they said there was no way to win.”

Rufino bought the property for \$294,000. He had to make \$1,000 a year payments and then make the balloon payment in 10 years. The real estate agent said it was impossible to finance the purchase and pay it off so it was a losing proposition.

Rufino found a good Realtor who could help him find financing, but nobody local would touch it. “But finally they found a bank back East to give me a loan to pay off this property,” Rufino said.

“There were a lot of challenges for my dad in the beginning,” said Jimmy Reyes, Rufino’s son who grew up on the nursery helping his dad. “And keep in

mind he was still working full time during all of this, too.”

Flying the white flag

Things finally seemed to be on the upswing until the Great Recession hit.

“My main market was grafted conifers and maples until 2008 when the economy crashed,” Rufino said.

“We used to graft 30,000 maples and conifers for Evergreen Nursery. They told me they needed to cancel their order. They said there was nothing they could do,” Rufino said. He ended up having to sell them cheaply. Some went to a friend; others went to another nursery for \$1 each.

He hung on, but in 2012, he had to finally raise the white flag.

“I put everything up for sale. I couldn’t make the mortgage payments,” Rufino said. A lot of customers cancelled their orders and he had three other loans to pay, including one loan he took out to build greenhouses.

“Back then, all he did was grafts,” Jimmy said. “People knew my dad as a grafter, so we really didn’t have much field or container-grown material. We couldn’t find >>>

Palmer Creek Nursery



Palmer Creek Nursery specializes in field-grown and containerized conifers, maples, evergreens and deciduous ornamentals. PHOTO BY VIC PANICHKUL

a buyer so we threw away a lot of plants.”

To survive, Rufino put his home in McMinnville up for sale. He made a little money, enough to pay the loans and still have a little operating money left over.

At about the same time, Evergreen was in the same situation and had a fire sale. “I paid them \$300 and took out 2,000 arborvitae from their fields,” Rufino said. “They said ‘take what you can’ so we took what we could and planted them here.”

That action probably ended up saving Palmer Creek in the long run.

“That’s what really got us going as a field-grown supplier of arborvitae and also boxwoods and maples,” Jimmy said.

During all of this turmoil, Rufino was still working a full-time job.

Then in 2015 he got laid off from Fisher Farms. “Now what do I do?” Rufino thought. “Well, I had a little trailer so I put up a sign and did landscaping.”

“I don’t know what kept my dad going,” Jimmy said.

Thankfully that didn’t last long. He ended up finding a job in Silverton at **Rare Tree Nursery**. During that time, things finally started picking up for Palmer Creek.



Lorena Reyes trims Japanese Maple liners in one of the propagation houses. Palmer Creek propagates all of its own maples, conifers and evergreens. PHOTO BY VIC PANICHKUL

Focusing on the nursery

“Mom was concerned about Dad’s commute to Silverton,” Jimmy said. The roads are windy and narrow and don’t have shoulders in some spots.

“One night he nearly ran off the road. Mom said he needed to give up the job and focus on the nursery.” So he did.

In Jimmy’s last year of high school, he remembers things were really picking up. “I remember skipping school to help us load trucks. That was a great time.”

“Beginning in 2017 everything picked up and we’ve been in an upswing,” Jimmy said. “We’ve been very lucky. We just bought another 31 acres in Dayton to give



Jimmy Reyes examines Japanese Maple liners in one of the propagation houses. PHOTO BY VIC PANICHKUL

us more room to grow,” Jimmy said.

“My nursery’s not like a lot of others with capital and a business plan. I just try something and if it doesn’t work, we just deal with it and learn from it,” Rufino said.

“I was never thinking that we would be this big. I just think we be a few greenhouses and grafting for people. And now we have all of this and we have a lot of customers to support.”

“The demand is there for our products and we’re very customer-focused,” Jimmy said. “Now we’re still grafting our own plants, but we specialize in field-grown material and pots. We try to do 50,000 grafts a year of conifers and maples for our own use.”

“People know us for our Japanese maples and arborvitae,” Jimmy said. “We sell a lot of 1-gallon maples and conifers. That’s the plan. We plan every year to be able to supply our customers who want 1-gallon material, which is about 35 percent of our business. The rest is bigger material.”

Looking to the future

“It’s a lot bigger now than it was in the beginning, and I have more responsibilities now, a lot more work,” said Jimmy, a graduate of OSU and a recipient of the Oregon Nursery Foundation scholarships.

Now, Jimmy is primarily focused on customers and inventory, he’s the external face of the nursery. He’s always working the booth at Farwest and MANTS in Baltimore, Maryland.

“My dad will always be here ... be involved. But I think he wants to take a step back and let me run it when the time is right,” Jimmy said.

“In five years, I want to be a 150-200 acre farm,” he said. “That way I can have a rotation of crops. I’m a strong believer of taking care of our soil so I want to plant cover crops and leave the soil to rest so we can grow nice plants faster. I want to take care of the soil so takes care of us for our lifetime and beyond.”

“Our customers come to us because of the quality of our plants,” Rufino said. “But we don’t want to grow so big because the labor issues will mean the quality goes down. We like to stay in a sweet spot so we can grow quality plants for our customers.”

“At our size, we can be involved with production and we can make sure our plants are nice,” Jimmy said. “Quality is our priority.”

“It’s amazing to look at all of this,” Jimmy said. “My dad, he really started from nothing.”

“It’s been a real challenge,” Rufino said. “All my life, I’ve worked for nurseries. I never thought I’d have a nursery.” ©

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