Lawn Care Marketing

Many kinds of companies, many kinds of services

by Robert W. Miller PhD., vice president, ChemLawn Corp.

Lawn service companies as they now exist are relatively new and are just beginning to find their place in the turfgrass industry. Although lawn care companies in some form may have existed for many years, it is safe to say that they did not become prominent until pesticides became a major factor in agriculture. Early lawn services were largely an extension of other horticultural activities and it has only been in the last ten years that lawn care companies have operated on a regional or national scale.

There are several types of lawn care companies now in operation. Perhaps the most numerous type is the mowing and grooming service which may be operated either by students and others on a part-time basis, or by full-time commercial companies that may offer other services in addition to mowing. Mowing services are mostly local and small; however the total expenditure for this type of service is undoubtedly large.

In some areas of the country, lawn service companies specialize in pest control. Many times these operations are a part of structural pest control services or other related businesses. These services are prominent in Florida and other locations where chinch bugs or other insects are especially troublesome.

Several regional and national companies sell franchises to operate a lawn service business in one location. The parent company usually helps in establishing accounting and operating procedures and may sell chemicals to the franchise. However, a recent court decision ruled that a franchise had the right to purchase materials on the
open market and is not obligated to purchase from the parent company.

Franchise operators offer a wide range of services. Most of them apply fertilizers and various pesticides. Some of them overseed, spike, aerate, and do other operations. Many times, special equipment that does several operations at one time is included in the franchise cost. In most instances, an individual franchise remains small because of boundary restrictions that are a part of the franchise agreement.

Another type of lawn care service is operated by the owner on a local level. This type of company may be small to medium in size, and may serve from a few hundred to ten thousand or more customers. These companies offer a wide range of services depending on the individual operation. Mowing, landscape maintenance, and other services may be included in a base price or may be offered as optional services at additional cost. Local lawn service companies operate in many different ways and it is impossible to place them into a common category.

In the last ten years, some lawn care companies have begun to operate in several cities on a regional or national level. Each branch is company-owned and is operated by company employees. Some of these companies utilize part-time employees, others do not.

The type of service offered by the regional or national companies varies almost as much as service options of local firms. Most of them, however, apply fertilizer, herbicides, and insecticides according to the needs of local conditions. A few companies apply fungicides on a programmed basis but most do not unless there are unusual disease problems.

Some companies offer the complete package at an annual cost. Others charge separately for each component of the program. The amount and kind of fertilizer and other chemicals used differ among companies. Some use both soluble and insoluble nitrogen sources, while others use only soluble materials. Phosphorus and potassium may or may not be included in all applications. Lime, where needed, is applied by some companies; others either ignore it or use one of the so-called "liquid lime substitutes." Some companies include "soil conditioners" in their programs. These may be anything from potassium carbonate to any one of several liquid materials on the market.

Lawn service companies may either require an annual contract with or without prepayment or they may operate without contracts and charge only after applications are made. Cost of services vary several hundred percent among companies. Cost for chemical applications to an 8,000 sq. ft. lawn vary from as little as $85 to as much as $300 for 4 to 6 scheduled annual treatments. Some lawn care companies make service calls and apply supplementary applications at no additional cost to their customers, others offer limited service without additional charges, and some charge for all service calls.

The most important item that any lawn care company has to sell is service. Homeowners are not particularly interested in what products are applied to their lawns. They are interested in a nice-appearing lawn, free from weeds and other problems. They expect the company to quickly respond to service calls and they expect prompt corrective action if they have problems. Many of their questions are related to

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trees, shrubs and other landscape plantings. Customers want qualified people with professional equipment to make applications and they expect the treatment to be made with care — care for both the lawn and for surrounding plants and properties. Service is the name of the business.

Two points are obvious from the previous discussion. First, the lawn service industry is unorganized and there is little chance that it will be organized in the near future. Secondly, there is no standard of quality for the industry and it is unlikely that standards could be agreed on and even less possibility that they could be put into effect. State and federal requirements for pesticide operators’ license and label restrictions for the use of pesticides have made it more difficult for marginal operations, and some states require that the invoice must state the amount of fertilizer applied to a lawn. Other than these, the only standards are those set by leaders in the industry. An individual selecting a lawn care company should have a clear understanding of the services offered by the company, the materials that will be applied to the lawn, and the reputation of the company in question.

Gas shortage cuts fertilizer output

From the New York Times

WASHINGTON FEB. 5 — Natural gas shortages have curtailed production of nitrogen fertilizers needed for spring planting in some of the country’s principal growing areas, according to industry data and random checks with factory executives.

In addition, the executives say, transportation problems threaten delivery tieups.

The curtailments, including plant shutdowns in some areas and reduced operations in others, pose a new threat to food production and consumer prices in the wake of water shortages reported in the West and Middle West.

“I’m not going to be panic purveyor and push prices up, but we’re apprehensive,” Edwin M. Wheeler, president of the Fertilizer Institute here, said in an interview. “It’s difficult to see how we can avoid some geographic snugness in supplies.”

The problems, he said, exist primarily east of the Rocky Mountains, where the regions hardest hit are the Southeast and the upper Middle West. Several plant closings have been reported in the Southeast and plants in the Middle West are reported running at varying fractions of capacity.

The curtailments have cut industry operations by about one-third at a time when factories are normally producing at their peak to meet seasonal demands, Wheeler said. Production is being cut by 70,000 to 80,000 tons a week, he said, with about 400,000 tons lost thus far this year.

Natural gas is critical for nitrogen fertilizer production because it is both a raw material for the product and a fuel for the production process.

Hydrogen is stripped from the natural gas under intense heat and combined under intense pressure with nitrogen from the air to create a product called anhydrous ammonia. The ammonia is used both in its natural state and in combined forms with other plant nutrients.

While some plants can substitute oil for fuel, experts say, they have no substitute for the gas as a raw material. Wheeler believes that the total loss of production will reach about 750,000 tons of anhydrous ammonia, or a little less than 5 percent of normal production. Other estimates ranged from 600,000 to a million tons.