# MARKET WATCH



DESIGN/BUILD

## Getting attached

For one business owner, a small investment in attachments pays off big. *By* BETH GERACI

It's no secret that finding innovative ways to grow your business has become increasingly important in recent years. And some landscape business owners, such as Carl Williams, general manager at Lawn Sense in Monroeville, Pa., are finding compact equipment attachments to be a direct and inexpensive path to diversifying.

"Using attachments has allowed me to not give my competition the opportunity to service my accounts," Williams says. "It allows me to offer additional services and retain customers. I don't want my competition to get their foot in the door."

Williams, whose business is 70 percent commercial and 30 percent residential, has expanded his business and saved money largely through two attachments—Bobcat's Brushcat mower and Box Blade plow.

Brushcat mowing jobs have generated for Williams \$20,000 to \$30,000 a year, he estimates. The mower attaches directly to a skid steer or track loader. Williams' team uses it to cut grass that hasn't been maintained for several months, such as undeveloped parcels that need to be maintained just annually or semi-annually.

"It's for builders that may want to maintain their lots just to keep them walkable, that's been the niche for that piece of equipment," says Williams.

*continued on page 68*


Carl Williams uses equipment attachments strategically.

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*continued from page 67*

By filling that niche, Lawn Sense has been able to retain customers who otherwise would have sought service from its competitors. "It's allowed me to offer that same service to a few more customers that I maybe would have turned away in the past because I would have had to rent that piece of equipment," Williams says. "It's opened up a new market for me."

Williams also has turned to Bobcat's Box Blade plow, a snow pusher, to save money—and a substantial amount of it. "I can buy one of those for a few thousand dollars and put it on my skid loader," Williams says, adding that snow constitutes about 15 percent of his business. "The snow pusher allows me to not have to purchase an additional pickup truck to service that account," he says. "If I wanted to put a plow on a pickup truck, I'm into $8,000 to $10,0000 for that pickup truck, just so it can plow snow."

Williams' decision to invest in attachments was a strategic one he came to early in the 12 years he's owned his business. "Ever since I started, I've been benchmarking what we do, how long a task takes, what the cost associated with each task is," he says. "That's why those pushers make sense on a skid-steer instead of having a pickup truck that sits there all winter. You have to keep your costs as tight as you possibly can."

Some winters, Mother Nature doesn't bring as much snow as others. With that in mind, Williams reasons, a truck is a big investment that doesn't provide as strong a return as a $3,000 snow pusher.

All of Williams' attachment purchases "have been money well spent," he says. "To me, if I couldn't work those situations with my customers, I don't think I'd be in business today."

## WHEN TO RENT, WHEN TO BUY

While rental remains a strong alternative to ownership, an improving economy is convincing contractors to buy compact equipment again. Rental and acquisition strategies each offer unique benefits for different stages in an operation's life cycle, and both are demonstrating positive trends.

The final decision boils down to being able to complete your work in the most efficient and affordable manner possible. As you weigh your options, it's important to evaluate the following considerations:

**Job site conditions –** Are your typical project tasks, terrain or space constraints changing enough to require a different type or size of machine than you currently operate?

**Project frequency –** How often will a machine be used? Will the length of your contracts and the volume of work generate revenue to support a short-term payment schedule or long-term investment?

**Attachment versatility –** Do your attachments provide flexibility, compatibility and accessibility for multiple job sites? Attachment utilization of 50 to 75 percent usually justifies a permanent fleet addition.

**Capital resources –** Rental payments can be tax deductible, but are there greater tax incentives for purchasing? If you're repeatedly renting a machine, but cash is tight, does a rent-to-purchase option agreement (RPO) pencil out?

The decision to buy or rent entirely depends on your company's situation, so take the time necessary to fully evaluate what is best for your operation.

*Source: Bobcat*


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