

DISTRIBUTORS PICK GOLF/LANDSCAPE OVER RETAIL, FARM

By BRUCE F. SHANK

Finding the primary distributors of professional golf and landscape supplies in the United States is not easy. They are among a melting pot of retail garden centers, farm suppliers, general chemical distributors, outdoor equipment dealers, irrigation distributors, and arborist suppliers totally more than 40,000.

Finding the 1,500 businessmen who specialize in professional golf and landscape supplies may be so difficult as to discourage development of products by new manufacturers while protecting current manufacturers. The melting pot is a mixed blessing.

A random sample of *Weeds Trees & Turf's* 1,400 distributor readers in June has provided some needed insight into their business. The profiles following this report show the variety of distributors serving you and the ingenuity they use to meet your needs.

By far the most prevalent type of product sold by professional distributors is chemicals. Offering chemicals is a practical investment

and a service requested by equipment and plant customers. The one-stop approach to marketing professional products is popular, with the possible exclusion of large equipment, plant material, and irrigation supplies. These three items require either special investment or knowledge to sell.

Landscape and golf equipment is sold by half the distributors polled. Irrigation supplies are sold by 40 percent of the respondents and plant material by 32 percent. Large equipment selling requires a service department, replacement parts, and a significant inventory expense. Irrigation distributors require system designers, a specialized sales force, and a significant inventory. Wholesale nurserymen require yards, specialized equipment, and a maintenance staff. To become a distributor of these professional products a commitment beyond handling and sales is required.

More than half the distributors polled sell turf seed. The advent of

improved turfgrass cultivars has "professionalized" the seed business and put it a notch above selling common varieties as was the case in the 50's and early 60's.

Twenty percent said they sold farm equipment. Very large equipment, such as tractors, large trenchers, and small dozers are still the domain of farm equipment and construction equipment dealers. Highly sophisticated mowers for golf courses and landscape maintenance are best sold by turf equipment dealers with their greater interest in our market.

The only way to recognize the key distributors of professional products for the golf and landscape markets is by their target customers. Therefore, we asked them a series of questions on primary and secondary types of customers.

What we found made sense according to the history of the market, but the results indicated a lag in reaction by distributors to serve newer, rapidly growing markets such as lawn care and contract landscape maintenance.

Golf course superintendents, park and school maintenance personnel, and the general public were listed as primary customers by nearly half the distributors. These were the first strong markets to lawn and garden product distributors in the 50's and 60's.

The postwar housing boom brought a tremendous interest by Americans in their own yards and the outdoors in general. Manufacturers such as Toro, Jacobsen, O.M. Scott, and Mallinckrodt first reacted to the attractiveness of the outdoor landscape market in the 20's and 30's. Golf boomed in the 20's as well. The Great Depression and World War II put a damper on the market, but not the research.

TABLE 1.
Distributors Rate Types of Customers.

Type	Primary	Secondary	Not Customer
Golf			
Superintendent	49%	32%	18%
Parks/Schools	53%	38%	9%
General Public	46%	23%	30%
Landscape			
Contractor	26%	60%	13%
Lawn Care	35%	49%	15%
Farmers	30%	20%	49%
Condominiums	17%	62%	20%
Irrigation			
Contractors	15%	18%	66%
Airports	15%	39%	45%
Shopping Centers	13%	34%	52%
Arborists	11%	28%	60%
Sod Producers	9%	41%	49%
Estate Gardener	9%	42%	50%
Hotels/Resorts	5%	52%	41%

When the cloud lifted in the 50's the market took off again with many new products. The Baby boom put new pressure on government for parks and schools.

In the 60's the golf and landscape markets had arrived and many distributors recognized a need for local suppliers to serve them. The formula then, and still today, was golf/schools/parks/homeowner.

The 60's and 70's helped distributors with the growth of tree care, sod production, and landscape contracting. The gardener was slowly being replaced by commercial services who needed a local source for their supplies.

The installation of irrigation systems increased significantly in the period due primarily to golf and parks. The desire for summer turf color in cooler parts of the country made irrigation systems the state of the art. Beginning with simple, quick coupler systems, the market expanded into mechanical and then solid state control with many zones. Regional manufacturers of irrigation supplies grew into national corporations which needed local distributors. Expanding population in the Sun Belt and West expanded that already established market.

According to the survey, 35 percent of the distributors consider lawn care businessmen primary customers and 26 percent consider landscape contractors primary customers. Thirty percent consider farmers primary customers still.

We also asked the distributors about secondary customers and those who were not customers. The significance of lawn care and contract landscaping were bolstered by secondary ratings of 49 percent and 60 percent respectively. Distributors recognize their importance but still see the older, established markets as their bread and butter.

Off the charts, but still valued customers, are condominiums, airports, arborists, estate gardeners, and shopping centers. See Table 1 for more information.

Out of all the various submarkets in our industry, distributors saw landscape contractors, lawn care applicators, condominium staff, and the general public as the mar-

TABLE 2. Increase and Decreases in Business by Customer.

Type	Up	Down	Same
Landscape Contractor	64%	9.5%	26%
Lawn Care	65%	8.0%	27%
Condominiums	62%	5.4%	32%
General Public	62%	12.0%	25%
Estate Gardener	54%	0.0%	45%
Golf Superintendent	50%	2.5%	47%
Parks/Schools	48%	12.0%	39%
Irrigation Contractors	50%	5.0%	45%
Farmers	45%	16.0%	38%
Arborists	42%	0.0%	57%
Hotels/Resorts	44%	4.0%	52%
Airports	33%	11.0%	55%
Shopping Centers	33%	4.8%	61%
Sod Producers	29.4%	17.6%	53%

kets increasing in sales. Golf superintendents, estate gardeners, and hotels were seen as the groups just behind the leaders. The markets seen as having plateaued were sod producers, airports, and shopping centers. See Table 2.

Overall, distributors feel strongly (85 percent) that existing manufacturers adequately serve the market in terms of needs and quality. Just under two thirds feel manufacturers respond well to the needs of their customers.

Distributors anticipate their sales to fall in 1982 after a 13 percent increase in 1981. The average sales volume of our sample for 1981 was \$2.7 million. The most common figure given was \$1 million. The median was \$1.2 million.

Only 15 percent reformulate chemicals for private labels. The reasons for establishing private labels were given as greater profit and better control. Fourteen percent of the distributors owned a landscape service company in addition to the distributor business. The most common type of service was lawn care with industrial weed control as a weak second.

Buyer cooperatives represent a temporary threat only according to the distributors. Only eight percent felt it would cause any permanent damage, even though 40 percent believe such coops are a threat to part of their sales.

Since many distributors also serve the general public and farm-

ers, we asked them to pick which major market is growing the fastest. They selected the golf and landscape market as number one, followed by retail and farmers.

The only thing distributors might hope for is more help from manufacturers with promotion. Nearly 40 percent said they'd like more assistance in promotion. Currently, distributors rely on the following for promotion:

Sales Force	63%
Local Shows	57%
Yellow Pages	55%
Direct Mail	39%
Regional Publications	35%

Forty percent of the distributors said they had reduced inventories and increased reliance upon delivery from the manufacturer. Slightly less than half said their equipment service department is doing a greater business. The same number reported an increase in brand loyalty.

Distributors are adding educational seminars in more than two thirds of the cases reporting. Expanding regional show participation and increasing sales promotion are reported by more than 60 percent.

More distributors report a decrease in delinquent accounts than an increase. No one gave any indication of general dissatisfaction with the golf and landscape market. They appear glad to have specialized as they have. **WTT**