

ServiceMaster goes 'Green'

Chicago's Richard White built Village Green from the ground up. Now he and his former company are part of an \$800 million service company that is building a nationwide network of 'ma and pa' lawn care operations.

by Ron Hall, associate editor

John Willis once taught flying at Chicago's Midway Airport. He traded that for the drudgery of cleaning homes and offices in Elgin and Schaumburg.

He dug hard cash out of his pocket and presented it to a company called ServiceMaster for the privilege.

Now his blue eyes dance as he describes the \$400,000 cleaning and disaster restoration business he owns and manages from his 10-year-old home, evidence of a profitable 14-year association with ServiceMaster.

This brick house, tucked in a corner of a wildlife preserve near Elgin, Ill., is a comfortable home. The basketball hoop over the garage suggests anything but the business beehive which is in the remodeled, basement where employees man the phones.

Opportunity comes knocking again, Willis believes. He digs again.

This time for lawn care.

The key again, ServiceMaster.

Says Willis, "I want to get in on the ground level of ServiceMaster Lawn Care. I enjoy the pioneering part of it more than anything. Who knows? Maybe I'll put all my efforts in one direction—lawn care."

You in lawn care ought to know more about ServiceMaster.

It knows about you and the healthy growth of your industry.

ServiceMaster, the \$800 million service giant headquartered in Downers Grove, Ill. about a half hour from O'Hare International and 45 minutes from the Willis' home, eased into lawn care in 1985 with the purchase of Village Green, the Chicago-area business headed by veteran lawn care businessman Richard White.

"ServiceMaster looked for nine

months, 12 months trying to find a good fit before it bought Village Green," White recalls. "I think our company did business the way ServiceMaster likes to do business."

White believes "they wanted a company to use as a model for lawn care. The management was in place to do lawn care."

The management, of course, was White. He'd already put together a comprehensive training manual. It was no secret he was thinking franchise with Village Green.

Industry insiders consider White, still trim and on the sunny side of middle age, one of lawn care's pioneers. The idea is that young. White treated his first lawn in 1962, before the industry had a name. He was 16. In 1973 he started Village Green in suburban Chicago.

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Richard White poses in front of ServiceMaster headquarters in Downers Grove, Ill. White, vice-president of the Lawn Care Division, is former owner of suburban Chicago's Village Green.

Grass is his livelihood. When he walks the grounds at corporate headquarters, a pancake of greensward big enough for three football fields, he eyeballs the turf like an old friend at a high school reunion. He knows this particular turf.

Not long ago, but before ServiceMaster made its move into lawn care, White convinced management to mow that grass more often. This erased bagging of grass clippings. It gave workers 25 percent more time for other jobs. The grass looked better, too.

White doesn't walk this lawn often now. He's vice president of the Lawn Care Division of ServiceMaster. He's a Heinz-57 blend: administrator, teacher, troubleshooter. His office is on the second floor of the Downers Grove building.

Good vibes

His office bustles. Bright. Cheerful. It, like the others, displays a small plaque with these four maxims: "To honor God in all we do. To help other people develop. To pursue excellence. To grow profitably."

Business-watchers claim ServiceMaster pursues the fourth of these with particular zeal.

Fortune magazine in its June 11, 1984 issue described ServiceMaster as the nation's "most profitable" large service company with an astounding 30 percent return for its shareholders from 1974 to 1983.

It reaps these rewards by convincing and helping people build profitable "in-home" businesses: by granting franchises and training people to do jobs most people (and businesses) don't want to do for themselves.

Carpet and upholstery cleaning is one service often associated with the increasingly evident green-and-yellow ServiceMaster vans.

Company founder, the late Marion E. Wade, a hard-working Baptist not a bit bashful about mixing Christianity with business, started this way 35 years ago.

In 1962, ServiceMaster expanded its horizons, offering what it describes as "housekeeping management." And in the 1970s, business mushroomed as it spread into the health care industry.

Today ServiceMaster contracts with more than 1,000 hospitals, and provides management for everything from cleaning and laundry to the food that is prepared in hospital cafeterias. The locations of franchise-holders dot a huge map on a lobby wall.



ServiceMaster vans should become more common to lawn care customers. John Willis (left) and employee Ron Wizieck at Willis' home in Elgin, Ill.

Training school

ServiceMaster nurtures its newest baby, lawn care, with a familiar formula: by licensing "ma and pa" businesses, providing the support of a respected and nationally-known business name, and giving licensees week-long training at its "service academy" located fittingly in a convent in Wheaton, Ill.

"Everything is controlled at these academies," says White, who teaches agronomics to hopeful LCOs. Others instruct subjects like insurance, bookkeeping—skills needed to provide a service, to turn a profit. "These people (licensees) don't go out for dinner or anything. We just don't allow for any lost time. Besides, they have money invested in this."

This September, ServiceMaster graduated its second class of 16 hopeful lawn care businessmen. Next summer there will be another crop. In the fall of 1986, another.

"When they leave, we want them ready to go into business," White says. "After they leave we follow them. Our function is to assist these people to become successful."

All, like flight-instructor-turned-businessman Willis, a member of the first training class this past April, pay a \$10,500 license fee (\$6,000 down) to become an LCO. Startup costs, including van and materials, eventually come to \$18,000.

Franchise owners also purchase their supplies via an arrangement with ServiceMaster and return 8 per-

cent of their revenues to the company.

Although ServiceMaster promotes the "ma and pa" operation—the one-person, one-van business—don't let that mislead you.

Says White: "There really is no limitation. Sure, we think a one-man operation can be successful and some people will probably be happy with that kind of business, but they don't have to be."

Many of that first graduating class of LCOs, like Willis, already operate successful ServiceMaster cleaning businesses. Some, again like Willis, are distributors in the ServiceMaster cleaning chain. They provide the licensees (Willis has 20) with supplies and support.

These first training academies could provide the management link, the distributors, for ServiceMaster's nationwide lawn care network.

Willis sees opportunity here while he gauges the progress of his infant lawn care firm. He should reach 200 customers by year's end, hopefully 400 next season.

"These are minimum projections," he says. "Actually, I hope—and I think—we can do much better. I'm a builder. I'm enjoying the pioneering spirit of this."

How about ServiceMaster? How big does it want to become in the lawn care industry?

Says White: "Let's just say I decline comment. Everytime somebody says 'we're going to be as big as somebody else,' they flop."

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