

GROWTH



Turnbull

"I'm involved in everything now, and have a better handle on what's going on. I'm accepting my level of income, trying to work smarter and maintain my net."



Schlossberg

"The industry's days of large growth are over—but I don't see it going down the tubes. The need is there, and customers appreciate our services."



Carpenter

"It might be glamorous to do big volumes of work, but when you grow, you expand the overhead."

A business is never stagnant, it's either growing or dying. Here are some tips to keep yours healthy.

■ Because of the economy, many lawn care and landscape companies are now in a minimum growth mode. Some aren't growing at all. So they're being forced to look at the different ways they can grow their businesses.

In the lawn and landscape industry, the three directions in which to expand are:

- 1) **customer base:** selling existing services to a higher percentage of potential customers within your territory;
- 2) **territory:** expanding the geographical area in which you do business; and
- 3) **services:** offering new services to your existing customer base.

Because of the low interest rates now available from savings and loans, this could be the perfect time to expand. You may be considering re-financing your loans anyway, so why not borrow more money for expansion at the same time?

"You get to a point where you're going to bust through and hire people and buy equipment, or you stay where you're at," notes Jay Turnbull of Turnbull Landscaping in Nashville, Tenn. "I'm always evaluating, trying to decide which way to go."

Here are some thoughts that may help your decision-making:

● The main problem is lack of imagination, not capital, says Paul Hawken in his book "Growing a Business" (Simon &

FOR 90 Expanding y

by Jerry Coldiron, Boone Links

■ If you've been given charge of a new golf course, or an expansion project—as I was—remember this:

At 6 a.m. on opening day, no one will be able to feel the excitement and pleasure as much as you.

I would like to share some pleasures and pitfalls, as well as tips, I experienced during construction, though each construction or renovation project will doubtless vary.

1) Develop a realistic set of goals and budget (based on solid research), and be sure you understand exactly what the owner expects. Decide on the project's expense, type and style.

Carefully interview and select prospective architects and contractors. Field trips (we made six) are invaluable. Talk with owners, pros, superintendents—and even players.

2) Develop a "team approach," and make sure everyone has a clear understanding of

STRATEGIES

the ways our course?

and Lassing Pointe Golf Courses

duties and responsibilities. Our team: golf professional, golf architect, engineer, building architect, and myself (project manager). Schedule mandatory meetings. Communicate and document daily. Keep a solid filing system, log all calls, and maybe hire a secretary.

3) Develop a solid set of specifications and construction drawings. Study, review and tailor these specifications to your project. *Do not accept generic specifications.* Demand and fight for the little details. Keep everything in writing.

Be sure all parties understand the change order process. Develop a project timetable. Update and revise the timetable at your weekly meetings. Schedule for weather delays.

4) Determine your irrigation source pump locations and start the ball rolling early on getting electrical power.

My biggest headache was coordinating all

continued on page 8

Schuster, 1987). "Meaningful change almost always comes from the edge, the margins," Hawken writes. "Good ideas often do not look very good at first or second glance, but don't worry if it sounds weird, crazy or obscure. It may defy common sense or logic in the market as it now exists, but it may also be breaking new ground."

● The six keys to growth, according to Stephen Jenks, writing in *Home Office Computing* magazine, are: (1) energy, motivation and resilience; (2) innovative marketing; (3) market knowledge; (4) solid financial planning; (5) staying close to customers; and (6) using new technology.

● *Home Office Computing* offers these ideas for growth:

- *plow profits back into the business;
- *hire employees who can, by their presence and imagination, help spark growth;
- *develop a new niche or target empty niches;
- *focus energy on developing and improving services; and
- *be fast and flexible.

● Do your homework, writes Fred Klein in "Handbook on Building a Profitable Business" (Entrepreneurial Workshops Publications, 1990). Research the market. "When you get customized requests from customers, ask yourself if there is a market to the entire customer base."

● "You want to take a look at where this industry's heading," says Mark Schlossberg of Pro-Lawn Plus, Baltimore, Md. "The industry's days of large growth are over—but I don't see it going down the tubes. The need is there, and the customers appreciate our services."

continued on page 8



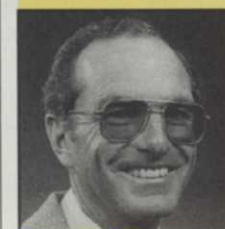
Doesburg

"We do more promotion-type marketing to keep our name in front of the public. We also work very closely with organizations like the home builders."



Berghuis

"Don't grow too fast...and never, ever kid yourself about what kind of financial shape you are really in."



Gerlack

"We're trying to offer more services. We've been looking at composting, but regulations make it difficult to get into."

The first decision—Initially, you might be happy with minimum growth.

"After seven years of growth, I plateaued in 1987," Turnbull says. "Then when building and everything slowed down in 1988 and 1989, I slid back and pretty much found my level. I've had no numerical growth in four years. But I've found a comfortable level that works best for me."

Likewise, Landmasters in Gastonia, N.C., has also slowed—but by design.

"We got into the trap of growing sort of 'free-fall' in the mid-'80s," observes Joe Carpenter. "Since 1986, I've restricted growth and put much more of a managed control on it. It might be glamorous to do big volumes of work, but when you grow, you expand the overhead."

Expanding customer base—If you choose to add more customers, you're going to have to intensify your marketing (including telemarketing) tactics.

"Twenty years ago when our name wasn't as well known, we tended to do more media marketing," says Rick Doesburg of Thornton Landscaping, Maineville, Ohio. "Now, we do more promotion-type marketing to keep our name in front of the public. We also work very closely with organizations like the home builders."

Klein, in his handbook, suggests Yellow Pages ads, direct mail, newspapers, radio and shoppers for service business advertising. Billboards, magazines and television are an advertising no-no, he says.

Expanding territory—"I could expand our territory, but I don't just want to grow for growth's sake," says Carpenter.

Expanding territory means hiring more help, buying more equipment, and possibly opening branch or satellite offices—all comparatively expensive procedures.

"My advice is to see if you can do it with the people, equipment and supervision you have in place," Carpenter observes. "If not, count the added costs to see if there is actually some profit in expanding."

(For more information on deciding whether to open branch or satellite offices, see Ed Wandtke's articles in the November and December, 1992 issues of LM.)

Adding services—The lawn and land-

scape market is becoming more full-service-oriented. "You have to make sure you're doing the job for the client or someone will come in the back door," says Doesburg. "We've even gotten into things like Christmas decorating and gutter cleaning."

According to *U.S. News & World Report*, large companies that sell multiple services are streamlining. This gives the smaller company the chance to expand into areas that the large companies are abandoning.

"We've done a lot of customer surveys," says Bob Ottley of One-Step Lawn Care, Rochester, N.Y. "A few years ago, we weren't doing everything the customer wanted.

"Now, we're pretty much customer-driven. We've also come up with ideas of what the customer might like—we're dabbling in mulching and planting flower beds now."

Adds Ken Gerlack of Contra Costa Landscaping, Martinez, Calif.:

"We're trying to offer more services. We've now got an eight-foot harvester and we're licensed for lake management. We've been looking at composting for the last three years, but regulations make it difficult."

(See list to the left for some add-on services we've come up with.)

A note—Peter Berghuis, president of the California Landscape Contractors Association, offers these final words of caution:

"Don't grow too fast—20 percent of something smaller is better than 0 percent of something larger. Have a plan for downsizing as well as upsizing. And never, ever kid yourself about what kind of financial shape you are really in."

—Jerry Roche

Add-on services:

- ☐ aeration
- ☐ brick paving
- ☐ Christmas decorations
- ☐ composting
- ☐ edging
- ☐ fence and retaining wall construction
- ☐ gutter cleaning
- ☐ hauling
- ☐ irrigation maintenance
- ☐ lake management
- ☐ lighting installation and maintenance
- ☐ lime applications
- ☐ mulching
- ☐ patios and brick paving
- ☐ planting and maintaining flower beds
- ☐ seeding
- ☐ selling or recycling chips
- ☐ snow removal
- ☐ stump removal

continued from page 7

the infrastructure (utilities, roads, buildings). If you are willing to accept responsibility, you might save enough to pay for your new turf building. Also, you end up being totally involved anyway, so you may as well capitalize on the situation.

5) If your project is a new course, consider building your turf care facility early. This will be the hub of the entire project. Fight for early funding and a state-of-the-art facility. If you cannot work it out, be sure to plan for temporary offices and/or buildings and trailers.

6) Be certain to obtain, in writing, all necessary documents and permits.

7) Use an experienced irrigation consultant/designer, if feasible. Be sure to explore the new variable drive pump stations and radio-controlled head technology—they are a must.

8) Determine green and tee construction methods, grass varieties—early. Research, compare prices; complete all necessary soil testing. Develop a fertility program to meet your needs. (Words of caution: an ample "grow-in" or "maturation maintenance" budget is a must. Prepare your owner for this cost: if it's done properly, it's not cheap and is often overlooked.)

9) Work closely with your building architect on the turf care clubhouse, restrooms, shelters, pumphouse, and chemical storage build-

ings. New ideas and technology are being developed daily. These considerations will affect the total project, especially cost.

10) Get solidly involved in: *sand, seed varieties and mixes (be sure your grassing contractor understands calibration); *working out grassing lines with the architect (we used color-coordinated survey flags); *field layout irrigation (it always changes from the paper design); and *play "construction golf" (hit a ton of golf balls).

Check distances and tee and approach angles as soon as the rough shaping takes place. Get everyone involved.

11) Allow time to hire and develop a strong staff. An assistant mechanic, irrigation technician and chemical technician are the first hires. Justify their presence by getting them involved.

12) Consider using a local nurseryman to document and help integrate native plants and trees. Stake, rope and clearly define all "natural" and "native" areas as well as specimen plants (a yellow ribbon or painted "x" will *not* suffice).

Finally—on a very serious note: allow times away from the project for yourself and your family. It can be an all-encompassing job, and this industry can quickly destroy a family. Also, be sure to surround yourself with quality people, machines, budgets and a solid plan. This type of project can be an exciting and fulfilling opportunity that only a few superintendents get a chance at. Good luck!