

# LandCare USA arrives

*Six regional landscape companies join forces to found a company that they feel will soon be recognized nationwide.*

**F**ive landscape companies and one tree company are the founders of a new national landscape services company. By the time you read this, other landscape or tree care companies may have merged with Land Care USA.

This consolidation is needed, say the founders of LandCare USA, to better serve the growing number of properties owned or managed by regional, national real estate and other commercial concerns.

"There's a tremendous consolidation of the owners and managers of real estate," said William F. Murdy, chairman and CEO of LandCare USA.

"They're looking for larger professional companies to continue to consistently deliver what they want on their properties."

The founders are:

**Roger Braswell**, president of Southern Tree & Landscape Company, Charlotte, NC.

**Bruce Church**, president of Church Landscape Company, Chicago.

**David Luse**, CEO of Arteka Corporation, Eden Prairie, MN.

**Jeff Meyer**, president/CEO of Desert Care Landscaping, Inc., Phoenix.

**Hal Cranston**, president of Four Seasons Landscape & Maintenance, Foster City, CA.

**Linda Benge**, president and CEO of Trees Inc., Houston.

They reportedly received cash and stock, and positions on the LandCare USA board, in return for merging their companies into the new national company which is headquartered in Houston, TX.

On Feb. 16, they, and more than 50 other landscape company owners and managers, gathered in a

ground floor room at the Vinoy Hotel during an afternoon reception at the ALCA Executive Forum here. The purpose of the reception was twofold: to explain the concept of LandCare USA to the landscape professionals who were attending the ALCA forum; also, to attract new member companies. LandCare USA was formed late in 1997.

Hal Cranston, who recently agreed to serve as Chief Operating Officer for the new firm, said that he and business partner Jim Marcus, joined the national firm to grow Four Seasons Landscape.

"We look at this not as an exit strategy but really as a growth strategy," said Cranston. "We've spent over 30 years building our business from one location to eight locations. And every other year or so we would add another branch or maybe open another location. We wanted to accelerate that process.

"We felt this was the way to get to the next plateau where we could obtain additional resources.

"We also, most importantly, wanted to stay involved in the business and let our employees participate in the growth and in the expansion," he added.

Notra Capital Ventures II, also based in Houston, is backing the new venture. John R. Oren, managing director, said that Notra has, within the last 10 years, been involved in consolidations of other industries fragmented by the presence of many smaller companies: heating/ventilation/air conditioning, same-day delivery services (Oren himself owned a company in this business), ambulance services, bus services, and metals.

He stated that several of the national companies backed by Notra then went public and are now traded on the New York Stock Exchange. This is also the goal of LandCare USA, with an initial public offering perhaps as early as May, it was stated several times at the reception.

Oren said the consolidation's goals are threefold: share holder value increase, customer service in-



**Hal Cranston is LandCare USA COO but he's still looking to grow Four Seasons.**

crease, and employee improvements.

"We act as sort of a key agent to bring entrepreneurs together to create a company that essentially partners up with the business owners to help them grow their businesses in a way that they could not do as privately held," said Oren.

LandCare USA President Murdy, who came from the real estate industry, emphasized that the new company wants to "maintain the entrepreneurial spirit and fervor" of the joining companies rather than having "an homogenized, one-size-fits-all, report-it-all-this-way company."

Added David Luse, Arteka, Eden Prairie, MN. "I think the operative word here is partnership, merging rather than selling out. We have no interest in that (selling out). The interest is to partner with other leaders around the country and gather all of those best practices and build another great company."

Added Mark Yahn, Ground Control,

Orlando, "My business wasn't for sale either.

"Since we've become committed to the concept, we've contacted a lot of our friends in Florida."

In response to questions from some of the landscapers at the reception, Murdy said that LandCare is focusing on companies with strong commercial landscape installation/maintenance and/or tree care presences in their particular markets. He said that \$1.5 to \$2 million in revenues is about "the bottom end" of the range for partnering with LandCare USA.

"We're trying to be as flexible as we can within the confines of being able to have something that continues to deliver. But



Mark Yahn enthused about LandCare USA.



Bill Murdy said consolidation underway.

residential we're not focusing on. Or on owning inventory like nurseries."

Again, in response to a question from the audience, Murdy said that LandCare USA looks to expand into other markets across the country. "We

have a national presence, but it has a lot of holes," he admitted.

"Professional real estate and management organizations are looking for other professionals who can deliver to them in a responsible and responsive way the kinds of landscape services that they want," he said as the reception ended.

"As more of these combine, the people who can deliver in more than one place are going to be advantaged." **LM**

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