

# What property managers want from you

Why do property managers hire landscape contractors?  
It isn't just about money — it's about the relationship

By GEORGE WITTERSCHEIN

LANDSCAPE MANAGEMENT recently interviewed two managers at Trammell Crow, a national property management firm, on their views of consolidation and why they hire contractors. They are: Bill Grillo, senior vice president for property management, Washington DC/Northern Virginia, and Retail Group; and Don LaRue, senior property management vice president responsible for Avion, a 1 million sq.-ft. office/industrial park in Chantilly, VA.

**GRILLO:** Consolidation is an interesting theme. We found of late that one of our service providers, Ruppert Landscape, was recently purchased by TruGreen-Chem-Lawn. You can see how the larger firms keep growing larger, and there is impact to the smaller companies. They will need to be well positioned to follow.

**LARUE:** In Northern Virginia, we've seen quite a bit of consolidation. Ruppert is just one of several. Brickman has come in and purchased several companies and we're seeing fewer players — far fewer than we used to. These are big companies, with economies of scale. I recently bid out my jobs, and some of the numbers coming in are absolutely phenomenal in terms of being very low!

Smaller companies are showing a lot of resentment. They feel these big companies

are coming in and buying the jobs, because the numbers are absolutely incredible. My landscaping expense is 30% less than it was 10 years ago.

**LM:** Most of our readers hear that as bad news.

**LARUE:** Right. Plus there is scope. My responsibility is so large that we generally have to target those companies that can handle our kind of job, and there are not that many.

**LM:** Beyond price, are you looking for one-stop shopping from your landscape contractor?

**LARUE:** Absolutely. My landscaper will do the snow removal and also perform the plant design when I do enhancements. What people are doing today in designing and enhancing buildings is not what they did 10 years ago. Ruppert is up on all that.

For example, we put a lot more texture in the landscaping in front of the buildings than we used to. We used to flood a building with azaleas. They don't do that any more. We're getting into perennials and fixed evergreens and unusual species of trees. It brings so much character to the buildings in the spring.

**GRILLO:** One other point is that they no longer put mulch around all the trees.

**LARUE:** It was expensive! Mulching is a third of our landscaping expense, and how



**Grillo:** Small firm may not be able to deliver.



**LaRue:** Vendors need to partner with us.

do we know that? Because the bigger companies share this information. They are very sophisticated in how they prepare their bids. And they'll sit down and go over the spreadsheets with me. Their sophistication in putting the numbers together will blow you away.

**GRILLO:** This use of information technology makes it easy for the manager like Don to explain to the asset manager what this big number comprises. We can break it down into parts and it makes sense.

**LM:** They also share the information with you, meaning that they are into the Total Quality Management partnership.

**LARUE:** It really is a relationship-driven experience, because if they are not in it for the reasons you are, it doesn't work.

**LM:** All of a sudden you feel like 'I'm working with somebody, a partner, and not hiring a contractor.'

**LARUE:** It's a partnership, like the mulching. Armed with the knowledge that we were spending this huge amount of money on mulching, we began steering away from it. Mulching serves a purpose when trees are brand new, but once they're matured, you don't need that protective ring for the root system. We have sodded around the trees so they now look more natural. Not mulching them actually saves so many dollars per tree that the pay-back comes in about one or two years, and eventually that number starts dropping.

**LM:** How did you wind up using Ruppert at Avion?

**LARUE:** The company we were using was bought out by Ruppert, and then Ruppert was bought out by TruGreen-Chem-Lawn, but at this point, the relationship is more with the local office.

**LM:** So TGCL/Ruppert is smart enough to let the local thing survive?

**LARUE:** Nothing changed from my perspective. Except that the numbers got a little better the second time around.

**GRILLO:** Ruppert came to us before the sale and discussed how that would impact our relationship. I said as long as it didn't change the local interactions and relationships, I would see no problem. I was as-

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sured that we would also receive some discount benefits because they were becoming a larger firm. That's an upside for us — we're always pressured by ownership and tenants to keep costs in check.

**LM:** You have the freedom locally to hire the landscaping company of your choice?

**LARUE:** Yes.

**LM:** Can you hire a small company?



**GRILLO:** Absolutely. But understand that a small company may not be able to give us what we need. We did business with a small company down in Richmond (VA), and they were not able to give the full array of services. We had this project and the company could not do it with the timeliness we needed.

So we had to use a larger company. Also, it was the consistency we wanted. Because Avion looks so great here in northern Virginia, we wanted the Richmond prop-

erty to look the same way. By dealing with the same vendor, we were assured of the same quality and look.

That's a big part of consolidation. When people hire Trammell Crow, they want the same kind of service and the same look, the same reports, the same information sets. We deal with a company that's used to dealing with us; they know what that expectation level is. It's also branding. You say Ruppert or Brickman; there's a sort of an identity with their look.

**LARUE:** At Avion, we're at about 30 cents a square foot for landscaping, which

**Property management firms like Trammell Crow understand how quality landscape maintenance can attract quality tenants.**

is pretty substantial. We need to get a lot for that expenditure.

**GRILLO:** Also, when you've got landscapers out in the springtime, one of the greatest things to see is their bright shirts, their corporate uniform. Our tenants feel great about that. It's a sign of spring.

**LARUE:** It's very professional looking.

**GRILLO:** And that goes with a very professional management company like ours. It's what tenants look for.

**LARUE:** In a commercial park, it (professional management) retains tenants. The other day, I met with the owners of a 100,000-sq.-ft. tenant company, and they said they chose Avion because of the park and the landscaping. But afterwards, while they were watching the construction of their own building, they were even more impressed by the landscape crews who were there every day working in those uniforms. It really set the tone for a long-term relationship. □

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