

# Killer niche markets!

**It's about thinking creatively. It's about exploring clients' needs. And ultimately, it's about increasing your bottom line. Create a unique service and watch your profit go sky high**

**Y**ou're mowing a lawn, planting flowers or installing an irrigation system; doing the same things you do daily, content with providing basic services. But you're not listening. Your long-time lawn care client wonders how he might incorporate his love of golf and model trains into his yard. You shrug your shoulders. A city councilperson is distraught over the lack of snow for the city's annual winter festival. You say, "oh well."

There's nothing wrong with doing the basic services, but sometimes your clients have special needs.

These needs have the potential to complement your other services, make each day you work more interesting and, most important, increase revenues. So listen up and learn.

BY JASON STAHL/MANAGING EDITOR



## Let it snow

Jonathan Sweeney, owner of Darien Tree & Lawn Care Co., Darien, CT, was skiing when a great idea came to him. It was as if he had been smashed over the head with an icicle: Wouldn't it be cool to make snow at home?

He went ahead and researched the idea on the Web, trying to discover if there was a market for it. The answer he got came from the real world, not cyberspace. A client asked him if it would be possible to get manmade snow for a holiday party. That was when dollar signs started floating in his head.

But Sweeney's dream wasn't as easy to accomplish as he thought. He rented some equipment and, in his own words, started "screwing around" at his house. He realized right away that snow making wasn't for amateurs.

"It's very technical," Sweeney said. "You have to know a lot about electrical engineering, hydraulics, atmosphere, water temperature and evaporation rates. You don't just hook up the water and make money, which is what we originally thought."

But Sweeney didn't see the complexity and costs of snow making as obstacles; if anything, he viewed them as deterrents to competitors. And he was right.

Three years after adding Snowman Services of Darien to his lawn care business, Sweeney finds himself the sole snow maker in the country. Evidence of that, he claims, are 50,000 hits a day on his website and 300 to 600 phone calls a day to his office. His business has snowballed, but he only works within a 100-mile diameter of his home base. And while the time and money he has invested are significant, he is finally on the verge of making a profit.

"We have the Rolls Royce job. We have a \$200,000 investment in machines, trailers, hoses and pumps," Sweeney said. "Every year, my business has doubled. I'd like to say it will triple or quadruple this year, and if it does I'll recover my investment."

Smaller units, costing around \$30,000 to \$40,000, are perfect for residential work because they are quiet and produce an acceptable amount of snow, he said. But doing a big job may take a week, whereas Sweeney's top-notch equipment can do it in two days.

He originally envisioned that his snow making would be most popular for residential accounts, but the town and commercial market is his cash cow. His largest residential account totaled \$2,500, but his largest commercial account was \$8,000. "Once homeowners find out the water costs, they tend to shy away," he said. "But a lot of towns have winter festivals and carnivals and will



John Sweeney and his snow making machine have been raking in cold hard cash.

do anything to make sure there is snow to go with them."

An avid ski show attendee, Sweeney has realized that it may be profitable to serve small ski markets some day. He is also in the process of creating his own small snow making system to which someone could literally hook up a garden hose. "We think that's where the market will be," Sweeney said.

## Weeds aren't easy

Phil Fogarty, owner of Crowley's Vegetation Control, Cleveland says: "Any time you can save people time, they're into it, especially because of the current labor crisis."

And that's exactly what his company does. By controlling weeds in industrial settings, ditches, banks and right-of-way areas, Crowley's reduces the number of hours workers with string trimmers would have to spend along fence lines. The overall scope of the work includes preventive weed control, check ups and spot treatment.

"It's more of a permanent solution to a problem that would otherwise require repeated attention," Fogarty explained.

Crowley's normally subcontracts to do weed control on large accounts such as Sea World of Ohio, and last year managed to do \$250,000 worth of business. It is currently bidding on electrical substations and cell towers, but competition is scarce because of the nature of weed control.

"It's a little technical, requires lots of training and not many people want to take the risk of making a mistake with some of these products that might cause damage," Fogarty said. "With a little marketing, we grow each year," he added. "Vegetation control is a high-need item and when someone calls it's usually an immediate sale."

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### The Bug Man

In some circles, Dan Malone is known as the "Bug Man." That shouldn't come as a surprise since he's the owner of Stomp-Em Pest Control in Sunrise, FL. But there's one particular bug that Malone concentrates on: the royal palm bug.

It seems that more royal palms, revered by Florida residents because of their tall, majestic appearance, are being attacked by this pesky insect. In response, Malone has concentrated his efforts on treating the palms and is marketing his new service to all of his clients.

Apparently, the royal palm bug starts chewing on new palms emerging from the top of the tree. By late spring and early summer, the insects inflict severe damage on the new growth and the leaves become frizzled and deformed. The epidemic has increased each year, which is a good thing for Malone since it is when both commercial and residential customers renew their treat-

ment. He uses Merit around the base of the trees, but doesn't know if it worked until the next year. The royal palm bug has not come back to the trees he has treated so far, he says.

Although the handling of the royal palm bug epidemic only accounts for less than 1% of his business, which grossed \$1.5 million last year, Malone expects that percentage to grow as the the problem does.

### House calls

Lou Kobus Jr., owner of Village Turf of Mt. Vernon, VA, unexpectedly stumbled upon a newfound service when real estate agents started ringing his phone off the hook.

"They wanted to know if I could spruce up homes for sale so that they would look nicer and sell quicker," Kobus said.

Thus, Lou's Spruce Up Service was born. Timing, Kobus soon found out, was everything, as it was imperative that the yards be cleaned up only a day or two prior to an open house so that everything would remain fresh and clean. Kobus and his crews pruned the trees, redid beds, cut the lawn and picked up trash. They knew they were on to something when one customer called back with positive results.

"She said that her open house was at 1 p.m. and the house was sold by 2:15 p.m.," Kobus said. "The people who bought the house said they stopped to look at it because the yard was so neat."

While Lou's Spruce Up Service only accounts for 2% to 3% of Village Turf's overall business, Kobus said there are other benefits to exploiting the real estate niche. "The buyer of the house will ask the seller who did their lawn maintenance, so we might get a new customer out of it," he said.

### A paint in the grass

Mike Hebrard would never pass himself off as Pablo Picasso or Michelangelo. But he has painted enough nice looking, colorful logos on athletic fields to establish his business, Athletic Field Design of Clackamas, OR, as one of the more respected ones around. It was a natural transi-



Lou Kobus Jr.

## To stripe or not to stripe

Many sports fans sit in the stands, gaze at the beautiful striping patterns on the field and say to themselves, "Boy, I'd like to have my lawn look like that."

At least one landscaping company, Terra Firma of Muskego, WI, has started to create striping patterns on almost all of its commercial and residential accounts. Vice president Heather Schuster says that the results so far are positive.

"Our customers think it's fun, it catches their eye and they think they're getting something extra," Schuster said. "Our crews have also gotten into it and they think it's fun, too. It keeps them interested in what they're doing."

Learning the technique wasn't that hard, Schuster said. She and her crew took a trip to the Milwaukee Brewers' stadium to see assistant director of grounds Dave Mellor in action. The trip, she said, took longer than learning Mellor's technique.

"You have to think in terms of the viewing angle — where is the lawn going to be viewed from?" Schuster said. "Then, you make stripes away from you and toward you for color change." Her crews, who were already good at keeping lines straight, caught on in no time.

For Terra Firma, striping doubles the amount of time crews spend working on a lawn. But some new mowers could allow landscapers to cut and stripe at the same time or reduce add-on time to around 15 to 20%.

So far, Schuster said that lawn striping is not customer-driven. Terra Firma does it as an added bonus and doesn't charge extra for it. But with the right marketing, she believes it could be a service that could be done for an additional charge.

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tion when a friend asked him to paint a design on his lawn.

Before long, he was being asked to create "welcome home" messages for parents whose sons or daughters were coming home from military duty, "will you marry me?" propositions from lovestruck men and sports team mascots and logos for sports fans.

Hebrard's skills were not always requested for his artistic expression. During one nasty drought in the Northwest, clients asked him to paint their lawns green. He has even painted lawns white to look as though they had snow on them.

So far, Hebrard's lawn painting accounts for around 5% of his business. He charges \$100 for most designs and \$50 for the labor plus materials costs. He does most of the designs by hand, using an airless painter and aerosol cans for highlighting, and sometimes uses stencils. It's something anyone with access to paint can do, Hebrard says.

But don't you have to have some kind of artistic talent to do this stuff?

"If you have a crew of 15 to 20 guys, one of them is bound to be pretty good at doing this," Hebrard said.

### Going for the green

"I always felt it was a natural niche for landscape contractors," Dan Sowash says of building putting greens on residential and commercial lots.

At least, it was for him in 1998 when he saw the concept at a home and sent away for more details. For a set-up fee ranging from \$8,000 to \$12,000, United Turf Industries (UTI) allowed him to use its products and provided sales leads and helpful tips.

"I was already tooled up for this type of business," said Sowash, owner of Heritage Landscaping, Warren, OH. "I

had a fleet of four trucks, three of which were dump trucks, compaction equipment and a tractor backhoe. We'd also worked with stone material by putting down walks."

All it came down to was traveling to Tennessee to become certified as an official UTI dealer, and Sowash was in business. In his first year, he built 5,000 sq. ft. of greens, and that figure doubled in his second year. Today, golf green construction accounts for 30% of his landscaping business.

While most of his accounts are residential, Sowash is seeing an emerging commercial market, particularly concerning rehabilitation clinics and handicapped facilities.

At \$12 to \$15 per sq. ft., Sowash admits that the demand isn't so much that it's overwhelming. But he says there are more and more UTI distributors who are making golf green construction their primary business.

"If I could do one of these a week, I'd quit landscaping," Sowash said. "It's a better mark-up product. You're

not planting trees where you have to worry about them for the next 30 to 40 days. With landscaping, all I could do was advertise my service — my trees or shrubs weren't any better than the next guy's. But once you have a niche product, you're a specialist



More and more landscape contractors are making putting greens like the ones above and below their primary business.

and you can push it."

### Chug-a-chug-a-choo-choo

Do you think you can grow your clientele base and increase profits by creating miniature train wonderlands? People in garden railroading think so. They cite an increase in *Garden Railways* magazine's circulation from 18,000 to 35,000 in three years and a 6% increase in sales of large-scale equipment as evidence of an emerging trend.

"Large scale, outdoor trains are the biggest segment of our industry right now," said Peter Oelschlaeger, owner of America's Trainyard in Baton Rouge, LA, and installer of garden railroads. "Sales have almost doubled within the last five years. I believe nurseries are going to have to start stocking miniature plants for garden railroad because of demand."

Miniature plants are one of the many specialty items needed to build a garden railroad. Everything has to be in scale with the train itself. "A good size bush is 24 inches tall, because that translates into a 48-foot tall tree."



Oelschlaeger says the rules are different for building garden railroads, but that's why this add-on service is a good fit for skilled landscapers. Garden railroads can be built to stand alone or as part a garden, and each one presents its own challenges. "If you're building it on its own, you're going to have to provide structure, a building to support it and electronics," Oelschlaeger said. "If you're putting the train in the garden, you have to provide a right of way as you plan the landscape."

While the supplies for garden railroading can be expensive, from \$350 to \$500 for a locomotive and \$65



for a rail car, so is the installation fee: \$5,000 and often double that, depending on the size.

Garden railroad builders often continue to service a client even after the railroad is built. Landscape contractor and garden railroad builder Jack Verducci of San Mateo, CA, said if the client prefers to pay someone to maintain the layout's scenery, the landscaper/garden railroad contractor can reap significant after-sale profits from labor such as weeding and trimming the miniature trees.

Joshua Wright of Garden Craft nursery and garden center in Hanover, MA, advises landscapers new to garden railroad building to interact with the trains before building any layouts for them. "If you're going to get into it, you really need to get into it — don't dabble in it," Wright said. "Buy a starter kit and play with it and see what the train can do first."

**Garden railroad displays like this one require a skilled hand with attention to detail.**

## The bottom line on niche markets

- ▶ Find out what your customers' needs are
- ▶ Investigate your market and competition
- ▶ Investigate products and methods thoroughly
- ▶ Experiment
- ▶ Fit it into your operation by analyzing your needs for:

- staffing
- equipment
- products
- routes
- scheduling
- other investments

- ▶ For franchises, check:

- what training is available
- legal and financial commitments
- marketing/sales support

### No light matter

Installing lights is nothing new, but an organized, effective way of doing it is. Christmas Decor and Nite Time Decor have steadily grown into one of the fastest growing franchises in the country. In five years, the company has grown to 250 locations in 46 states, evidence of a growing desire for commercial and residential lighting.

Steve Russell, director of operations for the lawn and tree care division of Eradico Lawn and Landscaping, Detroit, MI, says the growth his company has experienced since buying into Christmas Decor has been huge.

"Our first year, we experienced 150% growth," Russell said. "This year, we're hoping to do 35% to 40% more business than last year. At first, I was skeptical about how many people would want this sort of service, but so far it's been absolutely great."

Russell said the company recovered its \$12,900 franchise fee during the first year of operation. Their success with Christmas Decor has prompted them to buy into Nite Time Decor at a cost of \$15,900.

"If we would have tried this by ourselves, we'd probably be out of it by now with a lot of money left on the table," Russell said. "The franchise system provides you with the expertise and know-how and systems you need to succeed."

As with many add-on services, making some extra money is often just one part of the niche equation. "We end up converting a lot of our lighting customers over to our lawn care business," Russell said. **LM**