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Save inventory, save money

One of the first things they teach you in Business 101 is that doing good business is part how you sell, part how you save. Good inventory control is part of the saving process. Consider your chemical inventory. As a landscape professional, that "inventory" is almost 100% fertilizers and pesticides that you buy and resell as part of a turf or ornamental treatment. You probably buy these products at different times of the year, use them for a specific treatment or pest and replace them with new products for future treatments. At my company, our inventories are ever changing. Our goal is to deplete them quickly so our warehouse doesn't become their home!

Here are some rules for smart inventory management:

■ **Keep good records of your past use.** Landscape care is a series of rounds. Do you know what you used in Round 2 last year, and the year before that? Is the information broken down by "product used" and "square feet covered?" Reviewing this history should be your first step in ordering this year because it shows not only what you treated in the past, but also how it increased or decreased from year to year.

■ **Be conservative when ordering products for each round.** Consider growth over previous years, as well as anticipated growth for this year — then back off a bit. I would much rather have to go back to a supplier and fill in, even at a higher price, than have excess product left over.

■ **Timing is everything.** Today, many pesticides and fertilizers are meant to be used for specific purposes at

specific times. They cannot be used before a certain time and will not be effective after. Therefore, having it on hand before or after that critical period makes no sense.

■ **Beware of old products.** Despite what some salesperson may tell you, both fertilizers and pesticides age. Liquid pesticides can separate and bagged fertilizer can attract moisture. I question the effectiveness of "old" products.

■ **When you get the new supplies, make certain they're labeled as such so you use the oldest materials first, not last.** Some of your inventory includes products that are "restocked" before your current inventories are used up.

■ **Mark old and unused products so no one forgets what they are!** Beware: Containers get dirty and factory-supplied labels can fall off.

■ **Be flexible enough to use up leftover products.** Try to be inventive and use them without violating your guaranteed analysis or the label's directions.

■ **Remember that your actual cost-of-goods sold is impacted by unused products.** If you don't sell it, the cost negatively affects your bottom line.

■ **It's prudent to let inventories dwindle to virtually nothing as you go into your downtime.** Most of our businesses are seasonal, so many of us have an annual downtime.

Control your inventory carefully and consistently and you'll find yourself making more money — by saving it.

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