

## Going dark

Recessionary circumstances prompted a new service offering for a Michigan contractor.



Michael Bedell began offering dark property management in 2009.

**M**ICHAEL BEDELL MADE good on a bad situation when the Great Recession hit hard in Michigan, particularly his service area in Milford, Mich. Instead of altogether losing commercial clients who were cutting back or going idle, the owner, horticulturist and landscape designer with Bedell Property Management, developed a service for unoccupied properties or those not generating revenue, known as “dark property management.” The add-on assured clients that Bedell was willing to work with those who needed to scale back. He, in turn, retained them in the long run.

“In early spring 2009 my company began offering the dark property management service after a national management company wanted to continue our working relationship but had to reel in their expenses, per their client’s demands,” Bedell says. “There also was a regional banking firm that was taking possession by default of many larger foreclosed properties in the areas we serviced. We became a valued asset to them as they appreciated our suggestions and guidance with how to handle these unique sites.”

Bedell estimates 90 percent of the company’s commercial accounts would have qualified as a dark property during the recession. Currently, about 5 to 10 percent qualify.

While the service isn’t marketed beyond its mention as a commercial offering on the company’s website, Bedell says his firm discusses it with every commercial property manager it meets. It spreads by word-of-mouth referrals from there.

Job sites that receive the dark property treatment are serviced less frequently than other commercial properties. Still, the same crews and equipment are used on the dark properties, and the pricing structure is the same.

“Our direct costs per service generally didn’t change, so we used the same pricing structure,” Bedell says. “The reduced scope of work was what brought the numbers in line for our clients. We also did become much more aware of our

clients’ working budgets, especially in terms of landscaping, lawn care and snow plowing.”

At the heart of the service is the opportunity to work more closely with clients about budget and scaling services back accordingly.

For many accounts, scaling back simply has to do with frequency. How exactly to scale back differs by site. For the most part, property managers want the “bare minimum,” Bedell says. For example, if irrigation systems aren’t getting turned on, that equates to less mowing. In some cases, new mulch isn’t installed, but existing mulch can be turned over.

“Fertilization and weed control applications were minimal and annual flowers/mum installation work disappeared,” Bedell says. “Weeding, pruning and general landscape bed maintenance happened only a few times a year or not at all. Fall cleanups became a one-time occurrence or even pushed off to next year.”

While the term dark property management is a guise for service cutbacks, it makes the whole idea more approachable and opens the door for communication, Bedell says. It informs existing and potential clients Bedell Property Management is willing to work with their budget. Bedell suspects it even has earned him some jobs with smaller businesses that otherwise would have assumed the company was out of their budget range. Concurrently, those jobs helped keep his company afloat in some of the toughest times.

“We learned communication can lead to numerous opportunities for growth—even if it means, in this case, ‘doing less,’” Bedell says. “By listening to the needs of our clientele, we were able to find a way to continue to work together in a positive manner and alleviate the negative.”

Payton is a freelance writer with eight years of experience writing about the landscape industry.

### » SERVICE SNAPSHOT

**COMPANY:** Bedell Property Management

**LOCATION:** Milford, Mich.

**SERVICE:** Dark property management

**WHY:** The downturn in the economy made a scaled-back service package a necessity.

**BIGGEST CHALLENGE:** “The negotiation process and crunching the numbers to come up with a win-win scenario, especially with new clients using this particular service,” Bedell says.

**BEST TIP:** “There’s adversity, what are you going to do with it? Are you going to turn it into a positive?” Bedell says, quoting Detroit Red Wings Coach Mike Babcock. “Having a positive attitude, being willing to work in niche markets and not being afraid of doing things differently can be your greatest asset.”