IT'S EASY BEING GREEN

with Cutless* Granular Landscape Growth Regulator

MORE profit resulting from the most efficient use of labor and resources

The growth-regulating power of Cutless Granular helps your business contribute to sustainability by reducing fuel use and emissions, landscape clippings sent to landfills and plant water consumption—all while improving plant health. And for a greener bottom line, Cutless Granular has been proven to *save over 50% of the labor costs* associated with trimming hedges, shrubs and groundcovers. With Cutless Granular, it's easy to be green just about any way you look at it.

*Calculate the potential profit improvement for your business with our Cost Savings Calculator at **www.CutlessGranular.com***

SePRO Corporation Carmel, IN 46032

SePRO

continued from page 20

Cub Cadet Yanmar ↑

Built on a large chassis to accommodate a wide array of attachments, including a front loader with a universal quick-attach bucket, backhoe and three-point implements, the new Ex450 compact tractor can be used for everything from cutting grass to backhoe trenching and excavation. The unit is powered by a four-cylinder, liquid-cooled, 45-hp direct-injection Yanmar diesel engine. *www.cubcadetyanmar.com or 866/246-4971*

Bobcat

With a width of 47 in., the T110 compact track loader can travel through narrow openings or grade on narrow lot lines without treading on a neighboring property. Among the 26 available attachments are hydraulic breakers for demolishing concrete or asphalt; pallet forks for moving material; soil conditioners and tillers for preparing landscapes; augers for planting trees or installing fence posts; snowblowers for clearing snow; and trenchers for installing utility or irrigation lines. The Bob-Tach attachment mounting system is standard on the T110, which has an auxiliary hydraulic flow of 12.5 gal. per minute. The cab of the T110 offers many of the same comfort features as larger Bobcat loaders, including a suspension seat, superior all-around visibility, easy-to-read instrumentation panels and an optional enclosed cab with heater. www.bobcat.com or 866/823-7898

Ditch Witch

Both the RT10 and RT12 compact, walk-behind trenchers feature fully hydrostatic steering for easy handling, and are available with either high-flotation tires or heavy-duty tracks that oscillate. Both units also feature a trail wheel that increases stability and reduces breakover when loading and unloading or going over a curb. Options include a pin-on backfill blade that efficiently restores the trench after the product is installed, and the Roto Witch, an attachment that enables the operator to bore under obstacles. *ditchwitch.com or 800/654-6481*

Toro ↑

The latest additions to the Dingo compact utility loader family include the narrow and wide track TX 427 models. Both loaders feature a 27-hp Kohler engine that delivers added torque for increased pulling and digging force. These models also come standard with a heavy-duty, two-stage air cleaner. Featuring four independent hydraulic pumps, the loaders deliver 16.9 gpm of flow to each track, 11.4 gpm to the auxiliary hydraulics, and 6 gpm to the loader arm. The auxiliary hydraulics on both models pump 19 hp flow to the attachment for increased productivity in ground-engaging applications. Both are also compatible with Toro's multitude of compact utility loader attachments. *www.toro.com/dingo or 800/DIG-TORO*

KEVIN KEHOE | The author is the owner-manager of Kehoe & Co. Contact him at kkehoe@earthlink.net.

It's a brave new world

Part four of a multipart series.

Whenever the economy revives, we're not going to return to the way it was. The changes we're experiencing will be lasting.

The most important of these is pricing. Competition and the customer are changing the notion of what fair price means. The reason is more capacity relative to demand right now, and customers are using this to their advantage. While prices will recover somewhat when the economy picks up, they won't return to the rates we once charged.

Impliment two critical tactics to address this challenge. The first is lowering overhead costs in relation to revenues and direct labor. The second is improving the sales management function. A successful company must do relatively more with less and actively sell instead of take orders. This economy provides the smart companies with an opportunity to remake themselves instead of hunkering down and waiting for it to pass.

MAINTENANCE PROFIT & LOSS STATEMENT

	Old way		New way	
Revenues	$1,000,000		$1,187,500	
Labor	$350,000	35%	$498,750	42%
Materials	$100,000	10%	$118,750	10%
Direct cost	$450,000	45%	$617,500	52%
Gross profit	$550,000	55%	$570,000	48%
Indirect cost	$150,000	15%	$170,000	14.3%
G&A cost	$300,000	30%	$300,000	25.3%
Net profit	$100,000	10%	$100,000	10%
Labor hours	30,000		42,750	
Labor cost per hour	$11.67		$11.67	
PRICE per hour	$30		$25	20%
Overhead leverage	2.22		2.53	

More with less

You must restructure. For example, a company that had two mechanics now has one. Another that had four office staff now gets the job done with two. Account managers who handled $1.5 million in work now handle $2.0 million. Salespeople sell 50% more than they did last year.

If you want to be price-competitive, you need to increase the personal productivity of everyone on staff — starting with the shop and office. Better systems, training and reprioritization are the essential tools of this restructuring. It can be done, and is being done, successfully.

Selling, not order-taking

You must have a sales management game plan, including a competitive price, a pipeline system and a proposition to win business. None of this is new. It was just never really necessary to be that sharp at it before. Frequent direct contact, speedy turnaround, weekly tracking, accountability and perseverance are the essential success strategies.

The company that connects with prospects monthly, turns around requests in a day and negotiates hard on the spot to close the deal will win more than it loses. Simple marketing messages, trained sales staff and efficient estimating systems are the keys.

Competitive price (per labor hour)

What are the relative price reductions we might expect? The table, left, demonstrates the before and after picture of 20% price-per-hour rate reduction from $30 to $25 per hour. The effect is that in the future we'll be working with lower gross margins and higher revenues on top of a relatively stable overhead cost structure.

I'll discuss this table's implications at greater length next month. For now, it's essential to look at your people and structure, as well as your sales management system, to prepare for these permanent pricing changes.

A SUPPLEMENT TO

Landscape Management

2009 State *of the* Industry

GAUGE YOUR PERFORMANCE

Insight, analysis and advice about the health of the Green Industry

INSIDE

BROUGHT TO YOU BY

JOHN DEERE

Sponsor's View

A closer look at the state of our industry

Ken Taylor, CLP
John Deere Commercial
Segment Marketing Manager

AT JOHN DEERE, we appreciate the work you do every day to beautify the land that we live, work and play on. That's one of the many reasons we're pleased to sponsor the State of the Industry Report. We know it will be helpful to you as you work to strengthen your businesses, improve your service and prepare for the future.

When we consider the challenging economic conditions under which you've been operating in recent months, we realize 2009 has not been an easy year for many of you. The majority of respondents to this survey, for instance, say that the service markets in their regions are slightly or significantly down. You also say current economic conditions have changed the frequency with which you replace equipment.

That's why John Deere is continually finding ways to help you become more successful, even in tough times. For the third year in a row, we were the Green Industry Conference (GIC) Platinum Sponsor for PLANET and the Gold Sponsor for PGMS. Classes offered at GIC helped you earn industry certifications and find solutions to a wide range of business operation challenges. Through our National Account Contract with PLANET, we're also giving PLANET members easy access to competitively priced commercial equipment that keeps their businesses running — from zero turn mowers to tractors to utility vehicles and more.

We're also finding ways to help you operate more efficiently and cost-effectively. Our dealers' service organizations are working closely with customers to ensure down time is minimized and John Deere Credit is helping professionals purchase or lease the equipment you need on terms that make sense for you. That, along with our full product and service offering through dealers and John Deere Landscapes, is helping lessen the economic effects we're all feeling these days.

While you're reading through the report, be sure to notice the notes of hope. For example, more than half of you expect to maintain or increase revenue this year. You also recognize that while economic recovery might seem slow in coming, it will come, and you're preparing for that day.

In 172 years of business, John Deere has seen its share of downturns and upswings — and we're here to see you through both. We're proud to serve you as a true business partner. Thanks for making us part of your team.

JOHN DEERE

LM's 2009 State *of the* Industry

The **ultimate** Green Industry dashboard

To run your business efficiently, you need real-time performance information in a quick and easy-to-understand format — like your car dashboard displays.

Landscape Management's 2009 State of the Industry — one of our most-anticipated issues of the year — delivers the ultimate Green Industry dashboard, including our exclusive ***LM* 150** (up from 100), a look at the nation's largest landscape, lawn care, design/build and irrigation contractors.

We provide an unprecedented view inside the Green Industry with:

› 11 new ***LM* Top 25 charts** breaking down revenue leaders by region, customer mix and sector; and

› 15 ***LM* Leader Profiles** — Executives share their keys to success and the greatest opportunities and obstacles facing the industry.

With data culled from *LM*'s exclusive survey, we bring unparalleled insight into how more than 680 of your peers are thinking and performing. A bevy of charts, factoids, infographics and quotes give you a quick read on the past, present and future.

We offer our traditional caveat that while bigger isn't always better, bigger commands attention. Whether you rival or revile the companies on this list, in many ways they provide a benchmark for rest of the industry.

With no desire to rest on our laurels, we've been working hard to make the business intelligence we provide even more valuable. To that end, we bring you *LM*'s 2009 State of the Industry report, brought to you with the gracious support of John Deere. LM

LEGEND * = 2007 revenue; NR = Not reported; + = Satellite locations not included; ° = Formed in 2008 from Piedmont Landscape and Bio Landscape & Maintenance

LM 150

	Company	2008 Revenue (in millions of U.S. Dollars)
1	The TruGreen Cos.	1,410
2	ValleyCrest Landscape Cos.	990
3	The Brickman Group, Ltd., LLC	680.8
4	The Davey Tree Expert Co.	600
5	USM	480.7
6	Scotts LawnService	311.9
7	Bartlett Tree Experts	170
8	Ambius	123.3
9	OneSource Landscape & Golf Services	117.05*
10	Lawn Doctor	90
11	Weed Man	86.48
12	U.S. Lawns	86
13	Yellowstone Landscape Group°	81
14	Gothic Landscaping / Gothic Grounds Management	80
15	Massey Services	77.49
16	Vila & Son Landscaping Corp.	62.575
17	Ruppert Nurseries	57.7
18	Middleton Lawn & Pest Control	57.6
19	American Civil Constructors	56
20	Savatree	55
21	Jensen Corporate Holdings	53
22	ISS Grounds Control	45
23	Clintar Landscape Management	44
24	Tropics North Landscaping	42.5*
25	The Bruce Company of Wisconsin	42
26	Marina Landscape	50
27	Choate USA	40*
28	Landscape Concepts Construction	39.5*
30	The Groundskeeper	38
30	Acres Group	37.6
31	McDonnell Landscape	37*
32	Sierra Landscape Co.	34.7
33	Denison Landscaping	36.2*
34	Nanak's Landscaping	36
35	Chapel Valley Landscape Co.	36
36	AAA Landscape	35.9
37	Teufel Landscape	35.5
38	NaturaLawn of America	35.4
39	Oak Leaf Landscape	35*
40	Mariani Landscape	35
41	Mainscape	35
42	Nissho of California	32.6*
43	Spring-Green Lawn Care Corp.	32.4
44	Mission Landscape Services	33
45	Landscape Concepts Management	31.07
46	The Greenery	30.8
47	Cagwin & Dorward	30
48	Scott Byron & Co.	29.6
49	Ecoscape Solutions Group	29.08
50	Metroplex Garden Design Landscaping LP	28.8

2007 Revenue (in millions of U.S. Dollars)	Employees 2008 Full time / Part time	Headquarters	Locations
1,500	17,725 / 730	Memphis, TN	283
935	11,000 / NR	Calabasas, CA	120
609	4,382 / 5,486	Gaithersburg, MD	160
506.14	7,258 / 326	Kent, OH	NR
352.5	NR	Norristown, PA	NR
291.1	2,132 / 0	Marysville, OH	160
161	1,500 / 200	Stamford, CT	97
126.4	1,242 / 159	Buffalo Grove, IL	NR
117.05	1,122 / 214	Tampa, FL	12
86	55 / NR	Holmdel, NJ	460
78.19	788 / 2,625	Oshawa, Ontario, Canada	110
82	1,577 / 450	Orlando, FL	196
NR*	600 / 300	Plano, TX	9
125	1,158 / NR	Valencia, CA	11
74.34	780 / 0	Orlando, FL	61
64.55	736 / 0	Miami, FL	7
55	550 / 0	Laytonsville, MD	10
54.32	497 / 9	Orlando, FL	28
58	250 / 240	Lakewood, CO	6
50.3	450 / 60	Bedford Hills, NY	20
45.5	354 / 0	San Jose, CA	7
45	750 / 0	San Antonio, TX	6
38	160 / 350	Markham, Ontario, Canada	23
42.5	425 / NR	Homestead, FL	9
45.22	225 / 400	Middleton, WI	3
38	500 / 5	Anaheim, CA	2
40	200 / NR	Carrollton, TX	8
39.5	30 / 260	Richmond, IL	1
38	750 / 0	Tucson, AZ	11
33	102 / 700	Wauconda, IL	5
37	133 / 21	Brookeville, MD	1
34.7	294 / 0	Palm Desert, CA	2
36.2	190 / 180	Fort Washington, MD	1
33	500 / 250	Longwood, FL	5
43	255 / 135	Woodbine, MD	5
38.6	475 / 2	Phoenix, AZ	2
39	312 / 92	Portland, OR	3
33	235 / 21	Frederick, MD	68
35	120 / NR	Anaheim, CA	1
33	100 / 280	Lake Bluff, IL	2
43.4	300 / 120	Fishers, IN	10
32.6	300 / 0	Vista, CA	4
29.6	NR	Plainfield, IL	82
33	530 / 0	Tustin, CA	8
25.28	125 / 470	Grayslake, IL	6
35.6	460 / 41	Hilton Head Island, SC	3
32.02	335 / 50	Novato, CA	14
29.6	63 / 200	Lake Bluff, IL	2
36.6	215 / 0	Charlotte, NC	7
30.4	36 / 36	Dallas, TX	3

listing continued on next page

THE TENACIOUS 12

Companies that showed the highest rate of growth from 2007 to 2008

1 Dworsky Services
43.33%

2 Heaviland Enterprises
32.34%

3 Lambert Landscape Co.
28.99%

4 USM
26.67%

5 The Fockele Garden Co.
25%

6 Perficut Lawn, Landscape & Erosion Services
24.81%

7 Marina Landscape
24%

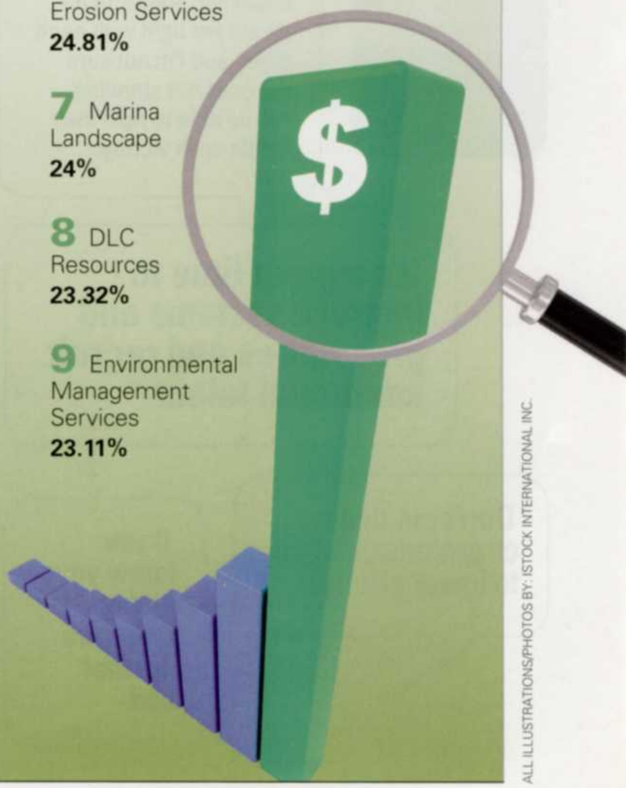
8 DLC Resources
23.32%

9 Environmental Management Services
23.11%

10 Maldonado Nursery & Landscaping
20.83%

11 Heads Up Landscape Contractors
20%

12 PROscape
19.55%



CONTRACTOR COMMENTS FROM THE SURVEY

Competition doesn't have to drive down pricing. Look at all of the gas stations — they are all near uniformity in pricing. The same holds true for the cost of a gallon a milk from one supermarket to the next. Why can't our industry be more open and uniform with its pricing — so we can all work and earn quality livings.

Treat your customers right and they will keep you in business for years with their referrals.

Don't stick your head in the sand. Keep doing the things you need to do to get the work.

We are only in the beginning stages of an all-out fist fight with each other, and I'm not sure the ones left standing will be able to hold their hands up in victory.

It's a great time to improve systems and procedures and recruit additional talent.

Don't cut quality or professionalism to lower prices.

If you know your niche, times are not that bad.

	Company	2008 Revenue (in millions of U.S. Dollars)
51	LJ Thalmann Company dba Chalet	28
52	Dixie Landscape Co.	26.5
53	Cornerstone Solutions Group	26
54	Countryside Industries	25.5
55	Sebert Landscaping	25
56	Lucas Tree Expert Cos.	25*
57	Heads Up Landscape Contractors	25
58	Maldonado Nursery & Landscaping	24
59	McFall and Berry Landscape Management	22.83
60	CoCal Landscape	22.8
61	Shearon Environmental Design	22*
62	Mariposa Horticultural Enterprises	22*
63	Clarence Davids & Co.	22
64	DLC Resources	21.98
65	Complete Landscaping Service	21.91*
66	Dennis' Seven Dees Landscaping	21.9
67	Russell Landscape Group	21.23
68	Girard Environmental Services	21.2
69	Environmental Management Services	21.2
70	Sunrise Landscape	21*
71	David J. Frank Landscape Contracting	21
72	Stiles Landscape Co.	20*
73	Senske Lawn & Tree Care	20
74	Northwestern Landscape Co.	20*
75	Moore Landscapes	20*
76	Artistic Maintenance	20
77	McHale Landscape Design	19.6
78	Christy Webber Landscapes	19.2
79	Hazeltine Nurseries	19*
80	Lambert Landscape Co.	18.66
81	Gachina Landscape Management	18.5
82	Benchmark Landscape	18.5
83	LMI Landscapes	18.2
84	Creative Environments Design & Landscape	18.13
85	Western Dupage Landscaping	18.1*
86	Urban Farmer	18
87	James River Grounds Management	18
88	Realty Landscape Corp.	18*
89	Dora Landscaping Co.	17.84
90	Reyburn Landscape Cos.	17.7
91	Swingle Lawn, Tree & Landsape Care	17.6
92	Meadows Farms Nurseries	17.5
93	Fairco	17.5
94	The Highridge Corp.	17.33*
95	Dobson's Woods & Water	16.8
96	Gibbs Landscape Co.	16*
97	PROscape	15.6
98	Outside Unlimited	15.6*
99	The Dworsky Services	15
100	ArtisTree Landscape Maintenance & Design	14.5

2007 Revenue (in millions of U.S. Dollars)	Employees 2008 Full time / Part time	Headquarters	Locations
28	100 / 150	Wilmette, IL	2
37.25	215 / 0	Miami, FL	5
38	200 / 25	Dade City, FL	NR
26	65 / 280	Wauconda, IL	2
23	60 / 325	Bartlett, IL	4
25	350 / 125	Portland, ME	5
20	350 / 15	Albuquerque, NM	1
19	206 / 3	San Antonio, TX	2
22.6	150 / 260	McLean, VA	5
33	200 / 210	Denver, CO	2
22	NR	Plymouth Meeting, PA	NR
23	420 / 0	Irwindale, CA	3
22	90 / 215	Matteson, IL	3
16.86	345 / 0	Phoenix, AZ	1
21.91	140 / 40	Bowie, MD	2
23.89	300 / 30	Portland, OR	5
18.93	NR	Dacula, GA	NR
17.9	200-250 / 0	Sanford, FL	5
16.3	160 / 310	Plain City, OH	2
21	120 / 0	Tampa, FL	1
20.1	225 / 100	Germantown, WI	6
20	NR	Fort Lauderdale, FL	NR
18	200 / 50	Kennewick, WA	7
20	NR	Puyallup, WA	4
20	46 / 190	Northbrook, IL	3
NR	300 / NR	Lake Forest, CA	6
19.6	200 / 0	Upper Marlboro, MD	4
18.2	245 / 1	Chicago, IL	2
19	155 / 0	Venice, FL	1
13.25	156 / NR	Dallas, TX	1
17.44	270 / NR	Menlo Park, CA	4
22	230 / 0	Poway, CA	3
21.3	225 / 0	Carrollton, TX	4
30.61	300 / 90	Tempe, AZ	2
18.1	32 / 160	Naperville, IL	2
19	350 / 0	Thornton, CO	1
15.55	315 / 1	Glen Allen, VA	6
18	NR	Newtown, PA	4
16.97	100 / 0	Apopka, FL	2
20.2	170 / 0	Henderson, NV	1
18.6	230 / 3	Denver, CO	2
18.2	150 / 250	Chantilly, VA	23
24.5	150 / NR	Scottsdale, AZ	3
17.33	160 / 1	Issaquah, WA	1
20.2	248 / 1	Ocoee, FL	7
16	285 / 50	Smyrna, GA	3
12.55	275 / 1	Orlando, FL	5
15.6	150 / 100	Hampstead, MD	2
8.5	310 / 0	Gardena, CA	6
15	180 / 60	Venice, FL	4

listing continued on next page

INVESTING TIME & MONEY

74%

Are increasing personal contact with clients and prospects.

42%

Are increasing their marketing budgets.

MARK-DOWN MADNESS

"Low-ball bids" tied "the down economy" as contractors' top concern.

DOWN THE DRAIN

44%

Project a drop in lawn care customer retention.

Employee training is key. Lifting a person's vision to higher sights is the raising of that individual's performance to a higher standard.

People need to stop talking about how bad the economy is. It only seems to be bad because it was overheated for several years due to too much debt and greed. Now, when things are normal, everybody thinks things are bad.

Quality service remains the flagship to weathering these economic storms.

This down economy is a time for creative thinking, cutting dead weight and getting lean and mean.

I knew for us to propser in 2009 we'd have to double our marketing investments. So many companies are doing the opposite —cutting back on their advertising. They are the ones who will be really hurting — if they're still around — when this economy rebounds.

Everyone is pinching pennies. If we don't give them their money's worth, they will find someone who will. Any 12-year-old kid can do much of what we do, but to make the customer proud takes a real caring person.

	Company	2008 Revenue (in millions of U.S. Dollars)
101	Berghoff Design Group	14
102	Becker Landscape Contractors	14
103	The Spencer Co.	13.55
104	Raymow Enterprises	13.5
105	Precision Landscape Management	13.5
106	Complete Property Maintenance	13.5
107	Perficut Lawn & Landscape	13.3
108	NATURESCAPE	13.22
109	Intermountain Plantings	13.15
110	Luke Brothers Landscape Services	12.8
111	Cleary Bros. Landscape	12.5
112	Florida Landscape Service	12.28
113	Sun City Landscapes	12
114	Parker Cos.	12
115	Kinsella Landscape	12
116	Mickman Brothers	11.8*
117	Santa Rita Landscaping	11.6*
118	Land-Tech Enterprises	11.5
119	Basnight Land & Lawn	11.4
120	Sposato Landscape	11
121	Gardeners' Guild	11
122	Arteka Cos.	11
123	Mill Brothers Landscape	10.8
124	Lied's	10.75
125	HGS, LLC dba Angler Environmental	10.5
126	Heaviland Enterprises	10.02
127	New Way Landscape & Tree Services	9.8
128	McGinty Bros.	9.6
129	Pacheco Brothers Gardening	9.5
130	ILT Vignocchi	9.5*
131	John Mini Distinctive Landscapes	9.15
132	Carol King Landscape Maintenance	8.9
133	Tomlinson Bomberger Lawn Care & Landscape	8.76
134	Greener Landscaping	8*
135	B&L Landscaping	8
136	Angler Environmental	8*
137	Plantique	7.9
138	The Pattie Group	7.85
139	Hoffman Landscapes	7.85
140	Clearwater Landscape & Nursery	7.4
141	Fine Earth Landscape	7.2
142	Rancho West Landscape	7.16*
143	Borst Landscape & Design	7.09
144	Greenscape	7.08
145	Tree Tech	7
146	Southview Design	7
147	The Lawn Ranger	6.9
148	Commercial Scapes	6.88
149	Maffei Landscape Contractors	6.55
150	Jacobsen Landscape Design & Construction	6.5

2007 Revenue (in millions of U.S. Dollars)	Employees 2008 Full time / Part time	Headquarters	Locations
13	155 / 1	Scottsdale, AZ	3
13.25	60 / 140	Indianapolis, IN	2
12.63	217 / 7	Houston, TX	2
13.5	250 / 0	Oldsmar, FL	8
12.4	172 / 242	Dallas, TX	2
13.3	275 / 40	Coconut Creek, FL	3
10	55 / 95	Des Moines, IA	1
12.4	152 / 10	Muskego, WI	18
11	40 / 120	Bluffdale, UT	1
15.98	295 / 1	Holiday, FL	8
13.5	175 / 0	Danville, CA	6
15.8	60 / 0	Orlando, FL	2
21	147 / 0	Las Vegas, NV	1
12.2	150 / 15	Scotch Plains, NJ	NR
10	48 / 65	Blue Island, IL	2
11.8	115 / 215	Ham Lake, MN	2
11.6	150 / 150	Tucson, AZ	1
14.36	168 / 35	Warrington, PA	2
12.14	95 / 85	Chesapeake, VA	1
10	120 / 80	Milton, DE	3
12	125 / 0	Richmond, CA	1
10.5	110 / 0	Minneapolis, MN	2
11.23	45 / 100	Fort Collins, CO	1
12.975	150 / 18	Sussex, WI	1
12	80 / 5	Manassas, VA	4
6.78	184 / 0	Vista, CA	4
9.28	0 / 188	San Diego, CA	4
9.6	50 / 45	Long Grove, IL	2
8.9	130 / NR	Hayward, CA	5
9.5	25 / 135	Wauconda, IL	1
8.11	63 / 42	Congers, NY	1
8.35	136 / 42	Orlando, FL	1
8.87	82 / 5	Lancaster, PA	1
8	90 / 0	Lowell, MA	1
6.6	120 / 0	Oak Park, MI	1
8	80 / 4	Manassas, VA	3
7.7	105 / 25	Allentown, PA	2
8.12	50 / 35	Novelty, OH	2
6.4	75 / 0	Wilton, CT	3
8	65 / 4	Ijamsville, MD	1
7.5	60 / 0	Poolesville, MD	1
7.16	75 / 3	Temecula, CA	1
7.4	20 / 55	Allendale, NJ	1
6.9	80 / 57	Holly Springs, NC	2
7	68 / 5	Foxboro, MA	1
9	23 / 50	Inver Grove Heights, MN	1
6.1	19 / 80	Eden Prairie, MN	1
5.75	55 / 3	Bristow, VA	1
7.18	84 / 0	Mashpee, MA	1
6.5	38 / 51	Midland Park, NJ	4

UNTAPPED REVENUE STREAM

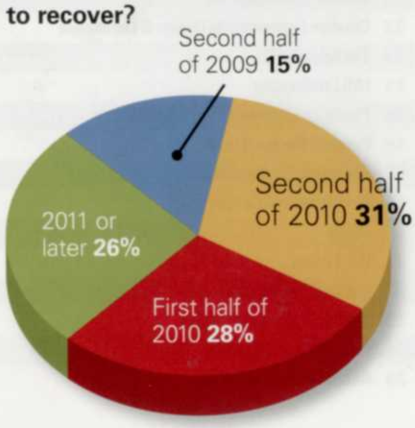
45%

do not offer irrigation system installation or maintenance.

DISAPPEARING DOLLARS

TEST OF TIME

When do you expect the economy to recover?



LM Top 25

2008 REVENUE BY REGION

(IN MILLIONS OF U.S. DOLLARS)

NORTHEAST

1	USM	480.7
2	The TruGreen Cos.	352.5
3	The Brickman Group, Ltd., LLC	211.04
4	Bartlett Tree Experts	95.2
5	Scotts LawnService	93.57
6	Savatree	50.05
7	Denison Landscaping	32.58
8	Ruppert Nurseries	25.96
9	NaturaLawn of America	18.76
10	Chapel Valley Landscape Co.	18
10	Realty Landscape Corp.*	18
12	U.S. Lawns	17.2
13	McHale Landscape Design	15.09
14	Outside Unlimited	14.82
15	Parker Cos.	12
16	Land-Tech Enterprises	11.5
17	Arteka Cos.	11
17	Sposato landscape	11
19	Lied's	10.75
20	John Mini Distinctive Landscapes	9.15
21	Tomlinson Bomberger Lawn Care & Landscape	8.76
22	Greener Landscaping	8
23	Plantique	7.9
24	Hoffman Landscapes	7.85
25	Fine Earth Landscape	7.2

SOUTHWEST

1	The TruGreen Cos.	183.3
2	AAA Landscape	35.9
3	The Brickman Group, Ltd., LLC	34.04
4	The Groundskeeper	32.3
5	ISS Grounds Control	31.5
6	Metroplex Garden Design Lanscaping LP	28.8
7	Heads Up Landscape Contractors	25
8	Yellowstone Landscape Group°	22
9	DLC Resources	21.98
10	Scotts LawnService	21.83
11	Maldonado Nursery & Landscaping	21.6
12	Lambert Landscape Co.	18.66
13	Creative Environments Design & Landscape	17.58
14	The Spencer Co.	13.55
15	LMI Landscapes	13.5
16	Precision Landscape Management	13.5
16	Berghoff Design Group	13.3
18	Santa Rita Landscaping	11.6
19	American Civil Constructors	11.2
20	Fairco	8.75
21	U.S. Lawns	8.6
22	Bartlett Tree Experts	6.8
23	Greater Texas Landscapes	5.14
24	Horticulture Unlimited	4.13
25	NaturaLawn of America	1.42

WEST

1	The TruGreen Cos.	225.6
2	The Brickman Group, Ltd., LLC	88.5
3	Gothic Landscaping / Gothic Grounds Management	80
4	Jensen Corporate Holdings	53
5	Marina Landscape	50
6	American Civil Constructors	44.8
7	Teufel Landscape	35.5
8	Sierra Landscape Co.	34.7
9	Mission Landscape Cos.	33
10	Cagwin & Dorward	30
11	CoCal Landscape	22.8
12	Dennis' Seven Dees Landscaping	21.9
13	Senske Lawn & Tree Care	20
14	Gachina Landscape Management	18.5
14	Benchmark Landscape	18.5
16	Urban Farmer	18
17	Reyburn Landscape Cos.	17.7
18	Swingle Lawn, Tree & Landsape Care	17.6
19	The Highridge Corp.	17.33
20	Dworsky Services	15
21	ISS Grounds Control	13.5
22	Intermountain Plantings	13.15
23	Cleary Bros. Landscape	12.5
24	Scotts LawnService	12.47
25	Sun City Landscapes	12

SOUTHEAST

1	The TruGreen Cos.	282
2	The Brickman Group, Ltd., LLC	136.16
3	OneSource Landscape & Golf Services	105.34
4	Scotts LawnService	93.57
5	Massey Services	77.49
6	Vila & Son Landscaping Corp.	62.57
7	Middleton Lawn & Pest Control	57.6
8	U.S. Lawns	43
9	Tropics North Landscaping	42.5
10	Nanak's Landscaping	36
11	Ruppert Nurseries	31.73
12	The Greenery	30.8
13	Yellowstone Landscape Group°	30
14	Scott Byron & Co.	29.6
15	Ecoscape Solutions Group	29.08
16	Dixie Landscape Co.	26.5
17	Cornerstone Solutions Group	26
18	Bartlett Tree Experts	25.5
19	McFall and Berry Landscape Management	22.83
20	Girard Environmental Services	21.2
21	Chapel Valley Landscape Co.	18
21	James River Grounds Management	18
23	Dora Landscaping Co.	17.84
24	Dobson's Woods & Water	16.8
25	Mainscape	16.45

MIDWEST

1	The TruGreen Cos.	296.1
2	The Brickman Group, Ltd. LLC	204.24
3	Scotts LawnService	90.451
4	The Bruce Company of Wisconsin	42
5	Clintar Landscape Management	40.92
6	Mariani Landscape	35
7	Landscape Concepts Management	31.07
8	Scott Byron & Co.	29.3
9	LJ Thalmann Company dba Chalet	28
10	Countryside Industries	25.5
11	Sebert Landscaping	25
12	Spring-Green Lawn Care Corp.	23.32
13	Clarence Davids & Co.	22
14	Russell Landscape Group	21.23
15	Environmental Management Services	21.2
16	David J. Frank Landscape Contracting	21
17	Christy Webber Landscapes	19.2
18	Western Dupage Landscaping	18.1
19	Perficut Lawn & Landscape	13.3
19	Becker Landscape Contractors	13.3
21	NATURESCAPE	13.22
22	Mainscape	12.95
23	Kinsella Landscape	12
24	Bartlett Tree Experts	11.9
25	McGinty Bros.	9.6

BY MIX (IN MILLIONS OF U.S. DOLLARS)

COMMERCIAL

1	The Brickman Group, Ltd., LLC	660.37
2	USM	480.7
3	Ambius	122.06
4	OneSource Landscape & Golf Services	117.05
5	U.S. Lawns	86
6	Yellowstone Landscape Group°	78.57
7	Vila & Son Landscaping Corp.	62.57
8	Ruppert Nurseries	57.12
9	American Civil Constructors	56
10	Marina Landscape, Inc.	50
11	Gothic Landscaping / Gothic Grounds Management	48
12	Tropics North Landscaping	42.5
13	ISS Grounds Control	40.5
14	Jensen Corporate Holdings	39.75
15	The Groundskeeper	38
16	Clintar Landscape Management	37.4
17	Nanak's Landscaping	36
18	AAA Landscape	35.9
19	Acres Group	35.72
20	Mainscape	35
21	Bartlett Tree Experts	34
22	The Bruce Company of Wisconsin	33.6
23	Denison Landscaping	33.3
24	Mission Landscape Services	33
25	Teufel Landscape	30.88

RESIDENTIAL

1	Scotts LawnService	305.62
2	Bartlett Tree Experts	136
3	Weed Man	82.15
4	Massey Services	68.96
5	Middleton Lawn & Pest Control	47.8
6	Savatree	44
7	NaturaLawn of America	32.56
8	Gothic Landscaping / Gothic Grounds Management	32
9	Mariani Landscape	31.5
10	Spring-Green Lawn Care Corp.	29.16
11	Scott Byron & Co.	29
12	LJ Thalmann Company dba Chalet	28
13	The Brickman Group, Ltd., LLC	20.42
14	McHale Landscape Design	18.62
15	Lambert Landscape Co.	18.28
16	Meadows Farms	16.62
17	Ecoscape Solutions Group	15.99
18	Creative Environments Design & Landscape	14.5
19	Chapel Valley Landscape Co.	14.4
20	Senske Lawn & Tree Care	14
21	Metroplex Garden Design Lanscaping LP	13.53
22	Jensen Corporate Holdings	13.25
23	NATURESCAPE	11.89
24	Swingle Lawn, Tree & Landsape Care	11.44
25	Sun City Landscapes	11.40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DEERE

LM Top 25

BY SECTOR (IN MILLIONS OF U.S. DOLLARS)

DESIGN/BUILD

1	Gothic Landscaping / Gothic Grounds Management	53.6
2	The Brickman Group, Ltd., LLC	40.84
3	Ruppert Nurseries	33.46
4	Vila & Son Landscaping Corp.	31.28
5	Denison Landscaping	30.04
6	Jensen Corporate Holdings	29.15
7	Metroplex Garden Design Lanscaping LP	28.8
8	Ambius	28.35
9	American Civil Constructors	28
10	Yellowstone Landscape Group°	24.9
11	Scott Byron & Co.	21.31
12	Teufel Landscape	21.3
13	Dixie Landscape Co.	21.2
14	AAA Landscape	20.82
15	Ecoscape Solutions Group	17.53
16	Mariani Landscape	17.5
17	Sierra Landscape Co.	17.35
18	McHale Landscape Design	17.05
19	Tropics North Landscaping	17
20	The Bruce Company of Wisconsin	16.38
21	Heads Up Landscape Contractors	16.25
22	Chapel Valley Landscape Co.	15.84
22	Meadows Farms	15.75
24	ISS Grounds Control	15.75
25	Countryside Industries	15.3

IRRIGATION

1	Marina Landscape	20
2	Sierra Landscape Co.	11.79
3	Jensen Corporate Holdings	7.95
4	Fairco	7.87
5	Teufel Landscape	7.1
6	Rancho West Landscape	6.8
7	ISS Grounds Control	6.75
8	Yellowstone Landscape Group°	6.08
9	U.S. Lawns	6.02
10	Maldonado Nursery & Landscaping	6
11	OneSource Landscape & Golf Services	5.85
12	Dixie Landscape Co.	5.3
13	Ecoscape Solutions Group	4.79
14	Reyburn Landscape Cos.	4.42
15	LMI Landscapes	4.19
16	Denison Landscaping	3.98
17	Cornerstone Solutions Group	3.9
18	Dobson's Woods & Water	3.86
19	AAA Landscape	3.59
20	The Highridge Corp.	3.46
21	Urban Farmer	3.24
22	Vila & Son Landscaping Corp.	3.12
23	Chapel Valley Landscape Co.	2.88
24	Mainscape	2.62
25	Dennis' Seven Dees Landscaping	2.41

LAWN CARE

1	The TruGreen Cos.	987
2	Scotts LawnService	311.9
3	Weed Man	86.48
4	Lawn Doctor	85.5
5	Middleton Lawn & Pest Control	46.08
6	NaturaLawn of America	35.4
7	Spring-Green Lawn Care Corp.	29.97
8	Massey Services	15.49
9	Florida Landscape Service	12.28
10	OneSource Landscape & Golf Services	11.7
11	Santa Rita Landscaping	11.6
12	Savatree	11
13	NATURESCAPE	10.57
14	Urban Farmer	9.54
15	Senske Lawn & Tree Care	7.6
16	U.S. Lawns	5.16
17	Cornerstone Solutions Group	3.9
18	Christy Webber Landscapes	3.84
19	Swingle Lawn, Tree & Landsape Care	3.16
20	Tomlinson Bomberger Lawn Care & Landscape	2.8
20	LJ Thalmann Company dba Chalet	2.8
22	Mainscape	2.2
23	Tropics North Landscaping	2.12
24	B&L Landscaping	1.92
25	Gothic Landscaping / Gothic Grounds Management	1.6

MAINTENANCE

1	The Brickman Group, Ltd., LLC	551.44
2	The TruGreen Cos.	352.5
3	Ambius	94.94
4	OneSource Landscape & Golf Services	91.29
5	USM	62.49
6	U.S. Lawns	60.2
7	Nanak's Landscaping	36
8	Vila & Son Landscaping Corp.	28.15
9	Acres Group	24.44
10	Mission Landscape Services	23.1
11	ISS Grounds Control	22.5
12	American Civil Constructors	22.4
13	The Groundskeeper	22.04
14	Tropics North Landscaping	21.25
15	Gothic Landscaping / Gothic Grounds Management	20.8
16	Landscape Concepts Management	20.16
17	Sebert Landscaping	20
18	Ruppert Nurseries	19.61
19	The Greenery	19.4
20	Mainscape	17.95
21	Mariani Landscape	17.15
22	Cagwin & Dorward	16.5
23	DLC Resources	14.92
24	Chapel Valley Landscape Co.	16.2
25	Jensen Corporate Holdings	15.9

Gauge your *performance*

Even finely tuned companies are taking a beating in this off-road economy. Information is the key to navigating this rough terrain and finding your way back onto the fast track.

BY **DANIEL G. JACOBS** MANAGING EDITOR

THE ECONOMY HAS slammed on the brakes. The navigation system's down and there's a strange noise coming from the engine. Like the drivers of an aging vehicle, Green Industry business owners study their dashboards trying to gauge the health of their operations — hoping not to end up in a ditch in need of a tow and a good body shop or, worse yet, having to walk away and sell everything as scrap.

Good information is essential to gauging the state of your business. We surveyed more than 680 of your peers, crunched and interpreted the numbers, and present the results here. Some of the data reminds us of the gentle hum of a well-tuned engine — while other bits are more reminiscent of the black-smoke-spewing, oil-leaking junker just ahead on the side of the road.

Of course, you don't need a tachometer to tell you how your business is doing. Some markets have been hit harder than others. Some company offerings have held up pretty well, while others have seen a need for their services dry up like a puddle in the Southwestern sun. But perspective does help. Even if it offers nothing more than the chance to commiserate with your fellow executives on the sorry state of the economy and its affect on your businesses (and that is by no means the case for all of you), having a benchmark with which to measure your operation against allows you to step back, take a deep breath and evaluate the situation. And it might just make it a bit easier to pass that guy in the slow lane just in front of you.

Let's start with a little perspective. The *LM* 150 companies in this industry accounted for nearly $6.8 billion in revenue and employed more than 77,000 people full-time and another 20,000-plus part-time. And despite the economy, one of the biggest complaints we still hear about is the lack of workers: "Where's all that available labor that's supposed to be out there? I still can't find enough workers. The federal government really needs to do something about this!" one survey respondent remarked.

Plan for success

So what do the numbers say? According to *LM*'s 2009 State of the Industry survey, 63% of you describe the market in your region as "slightly down" or "down significantly." Only 37% selected the terms "relatively healthy" or "very healthy."

However, we're a little leery of those numbers because 40% of you confessed you didn't prepare a budget for 2009. If you don't have a budget in place, it's hard to know how well or poorly you're doing and almost impossible to compare one year against another. There are too many variables to track, and gut instinct might be good for deciding what's for dinner, but it's not so good for running a business.

Interestingly, 46% of you have three- to five-year business plans, and more than half of you (56%) review them at least once every six months.

While it's not all doom and gloom, the survey clearly indicates you are taking a cautious approach to the near future. Thirty-eight percent of respondents project their revenue will increase in 2009. Specifically, 5% expect a more than 20% uptick; 15% are planning for a 10% to 19% increase; and 18% expect to bump revenues between 1% and 9%. Twenty-three percent of you expect to hold even with 2008, while 40% expect negative revenue growth.

The *LM* 150 faired slightly better. For the biggest of the big (among those for whom we have complete data), 53% experienced a revenue increase over 2007; 38% saw a drop in revenue; and 9% held their own year-over-year.

One contractor in our survey tried to put a common-sense perspective the current situation: "People need to stop talking how bad the economy is. It only seems to be bad because it was overheated for several years due to too much debt and greed. Now, when things are normal, everybody thinks things are bad."

Maybe so, but perception is reality and whether "normal" has been reset to a higher level after years of strong growth or we're just uncomfortable with the old normal, few of you are expecting things to improve this year. According to our survey, only 15% expect a return to moderate growth (3% GDP or better) by the second half of this year. Twenty-eight percent think it will come in the first half of 2010 and 30% believe it will be the second half of next year. Slightly more than a quarter of you (26%) say the recovery is not coming until 2011 or later.

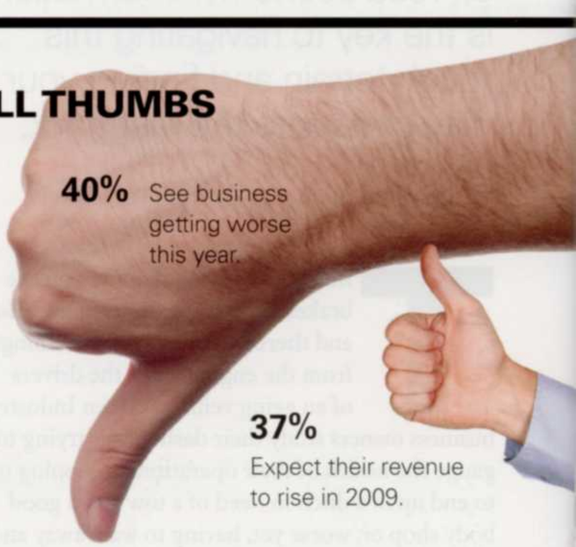
LIQUID GOLD

61% Say landscape designs must be more water efficient.

58% Predict water-use regulations will become more stringent and spread.

55% Expect the price of water to continue to shoot upward.

ALL THUMBS



40% See business getting worse this year.

37% Expect their revenue to rise in 2009.

TALENT TITLE WAVE

75% Say **attracting top talent** is among 2009's top-two opportunities.

Waste not, want not?

With all of the above in mind, you have indicated you're looking for ways to reduce your spending.

Some 58% are extending the equipment turnover rate by keeping machines longer. Another 6% are more strongly considering renting some tools instead of buying them, and 9% are looking at used or reconditioned equipment as an alternative to new. As one of you said: "Looking forward to seeing what the industry is like. Our market has definitely felt the pinch. It has been pretty secure and recession-proof for almost 25 years. A turn to reality for everyone."

Whether we're facing facts or frightened by them, there are a few gauges every contractor should review. Customer retention is certainly one key performance indicator.

Of those who do maintenance, 49% have seen a decrease in customer retention rates this year over last year. Whether they're giving their business to low-price outfits or doing the work themselves is unclear. That's why, as one contractor put it, "It is more critical than ever that we give the greatest service possible to all our customers and to our prospects."

The key, says another contractor, is to "treat your customers right and they will keep you in business for years with their referrals."

That might be easier said than done. The downturn in the economy has many of you worried about the future. "I believe we are only in the beginning stages of a full-out fist fight with each other, and I'm not sure that the ones left standing at the end will be able to hold their hands up in victory," says one contractor. "They will have had to spend every resource they have to get there, and may not have anything left to fight with."

One challenge is that you are no longer competing with just your traditional rivals. In an industry with a relatively low barrier to entry and a market littered with laid-off workers, you have a host of new competitors. A glut of competition from frantic newbies drives prices down. And poor quality from some of those same inexperienced operators leaves a stain on the industry.

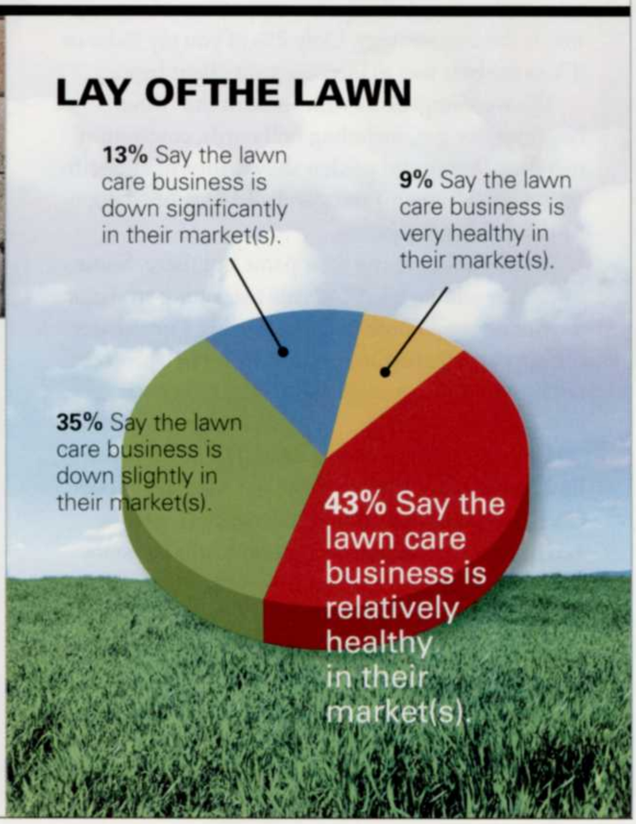
"A lot of desperate landscape companies are undercutting the market," one contractor lamented. "Some are already out of business. Many others will follow. Failure to recover equipment and business overhead in pricing is not sustainable."

ROAD TO RICHES

Top two add-on "sustainable services":

#1 Permeable pavers
#2 Rainwater harvesting

LAY OF THE LAWN



SOI Analysis

The bright side

Opportunity still exists among those willing to work to get it. Many of you are looking to deliver your services to more customers or develop new markets. Nearly half (49%) consider the residential market the best opportunity for your company. Twenty-eight percent are looking to increase commercial accounts. Nine percent are looking at condo, multi-family or homeowner associations (HOAs) as a way to draw additional revenue, while 11% are turning their sights toward the government.

How you reach those markets is key. Forty-two percent of you plan to increase your marketing budgets, while only 21% plan to decrease the marketing spend.

"I knew for us to prosper in 2009, we'd have to double our marketing investments," one contractor offers. "So many companies are doing the opposite, cutting back on their advertising. They are the ones who will be really hurting — if they're still around — when this economy rebounds."

Personal contact is still the most popular way to touch your clients. Some 74% of you plan to make yourselves more available to your customers.

According to the survey, the single most effective form of advertising to attract new prospects is word-of-mouth referrals. Seventy-one percent of you say that is the best strategy. Only 2% of you say radio or TV is the best way to increase your client base.

We were impressed with some of the "other" responses we got, including billboards, community meetings, home and garden shows, Internet (specifically, Craigslist,com) and good, old-fashioned door-to-door direct marketing.

It's all about getting your name out there. Some of you are adding tried and true marketing stratgies to your efforts. Those include: starting a newsletter (22%), participating in community service projects (28%) and offering coupons or special incentives to new customers (29%).

Of course, this is only a sampling of what you'll find inside *LM*'s 2009 State of the Industry report. On these pages, you'll find more charts, graphs and quotes to give you vital insight into the state of the Green Industry. You'll also find profiles of executives from several of the *LM* 150. While you're still the best mechanic for your business, having this dashboard of information at your fingertips helps you understand how well your company is running. LM

EQUIPMENT LIFECYCLES

58% Plan to keep their equipment longer than usual.

27% Plan to replace equipment per usual because machinery is key to productivity.

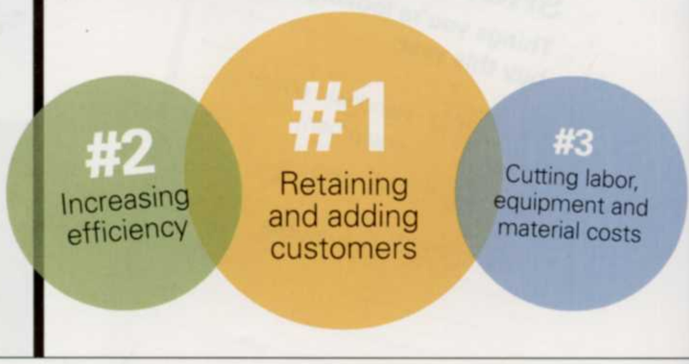
9% Are strongly considering buying reconditioned instead of new equipment.

6% Are strongly considering leasing rather than purchasing new machinery.

MONEY MAGNETS

71% Say **referrals** is the most-effective way to attract new business

BIG 3 PRIORITIES



After being in business 18 years, I'm now as close to failing as I ever have been.

I'm sick of grass cutters low-balling the landscape market and devaluing our services and our industry as a whole.

Where's all that available labor that's supposed to be out there? I still can't find enough workers. The federal government really needs to do something about this.

Treat customers like they're worth every penny they pay you — but do not let them take advantage of you.

It's more critical than ever that we give the greatest service possible to all of our customers and prospects.

I think we are 12 months away from what really will happen to this economy. When the debt catches up with reality, companies will exit this industry in droves.

A lot of desperate landscape companies are undercutting the market. Some of them already are out of business and others will follow. Failure to recover equipment and business overhead in pricing is not sustainable.

Keep the faith.

Don't give in to the bad times. March forward as best you can.

FOUNDATION FOR GROWTH

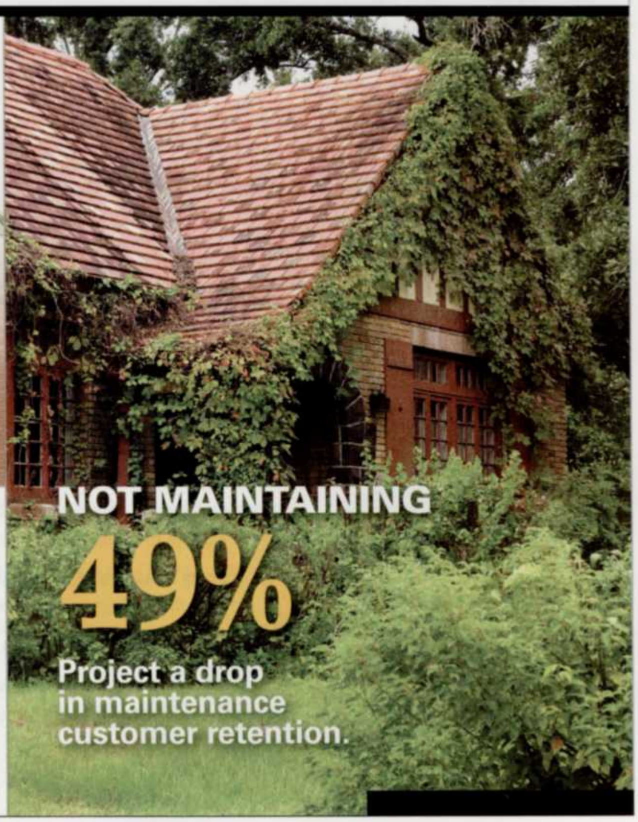
24%

Forecast their design/build business to grow in 2009.

HEADS DOWN

40%

Admitted to not even preparing a budget for 2009.



NOT MAINTAINING

49%

Project a drop in maintenance customer retention.

Sierra Landscape Co.

Headquarters: Palm Desert, CA

Web site: sierralandscapecompany.com

Leader: George Gonzalez, President

Year founded: 1980

2008 sales: $34.7 million

Company's biggest obstacle in '09: Pricing pressure: Competitors are bidding desperately low margins, if any.

Company's biggest opportunity in '09: Restructuring and improving companywide efficiency, and to be poised for the turnaround.

Three keys to success: Adaptability, commitment and planning

How's the economy treating you?: These are the most challenging times next to our start-up 29 years ago.

Yellowstone Landscape Group

Headquarters: Dallas **Web site:** yellowlandscape.com

Leaders: John Miller, CEO; and Operating Company Presidents: Edward Schatz, Robert Taylor and Drew Watkins

Year founded: 2008 **2008 sales:** $81 million

Company's biggest obstacle in '09: Addressing the impact of the economy on our customers.

Company's biggest opportunity in '09: Acquisitions

Three keys to success: Expansion, service and cost-control

How's the economy treating you?: Despite margin pressures, we are finding areas of business growth.

Weed Man

Headquarters: Oshawa, Ontario, Canada

Web sites: weedmancanada.com and weedmanusa.com

Leader: Michael Kernaghan, Chief Operating Officer

Year founded: 1970

2008 sales: $86.48 million (U.S.)

Company's biggest obstacle in '09: Negativity. It can be debilitating if an owner loses the focus on vision for his or her company. If owners can stay focused on their visions, and are willing and able to change to embrace the future, they will be able to face any obstacle.

Company's biggest opportunity in '09: The economy. We always strive in times of recession. However, (other companies') layoffs enable us to attract better employees and attract new franchisees.

Three keys to success: A willingness to change, execution and persistence.

How's the economy treating you?: The economy is hurting everyone, but Weed Man has been [a] lawn care service leader for 40 years and in that time, there have been a few economic downturns. We persevered and flourished through all of them, and will succeed in this one as well.

LM Leader Profiles

Heaviland Enterprises

Headquarters: Vista, CA **Web site:** heaviland.net **Leader:** Tom Heaviland, President and Co-Founder

Year founded: 1985 **2008 sales:** $10.02 million

Company's biggest obstacle in '09: Adjustments (discounts) being made in customer contracts because of current economic conditions.

Company's biggest opportunity in '09: Water management and the programs available for our customers to upgrade their systems.

Three keys to success: Employees, training and communication

How's the economy treating you?: In commercial landscape management, although not recession-proof, there still exists opportunities to grow your business.

Scotts LawnService

Headquarters: Marysville, OH **Web site:** scottslawnservice.com **Leader:** Peter Korda, Senior Vice President

Year founded: 1868 **2008 sales:** $311.9 million **Company's biggest obstacle in '09:** Consumer insight in DIY trends.

Company's biggest opportunity in '09: Our continued focus on winning with our customers and team members — do everything we do even better than before, and help homeowners in new and different ways.

Three keys to success: Customers, listening and simplification

How's the economy treating you?: On the balance, our homeowner customers are more similar to 2008.

Greenscape

Headquarters: Holly Springs, NC

Web site: greenscapeinc.com

Leader: Michael Currin, President and Founder

Year founded: 1979

2008 sales: $7.08 million

Company's biggest obstacle in '09: The slowdown in landscape construction opportunities, which means there is more pricing pressure on the opportunities that are available.

Company's biggest opportunity in '09: There will be more companies that will not make it through this time, and even more companies that have laid off some key positions in an effort to survive. We have been able to keep our team intact because we focused on being more efficient and operating very lean prior to the recession. We have not had to lay off a lot of people as a result. For that reason, we feel like we can respond more quickly to the opportunities that present themselves. As recovery continues, we will be in a better position than some of our competition to take advantage of these opportunities.

Three words for success: The Greenscape Way

How's the economy treating you?: We have had good opportunities for growth in our Weed Man Lawncare branch, as well as in our landscape management branches.

Ruppert Nurseries

Headquarters: Laytonsville, MD

Web site: ruppertnurseries.com

Leaders: Craig Ruppert, CEO (left); and Chris Davitt, President (above)

Year founded: 1990 **2008 sales:** $57.7 million

Company's biggest obstacle in 2009: Developing and exciting our people while we hold our company to standards that will exceed our customers' expectations.

Company's biggest opportunity in 2009: Growing through tough economic times, which allows us to build market share and create opportunities for employees.

Three keys to success: Values, employees and customers.

How's the economy treating you?: It has created obstacles that our company is fully capable of overcoming.

Ambius

Headquarters: Buffalo Grove, IL (Divisional Head Office) **Web site:** ambius.com

Leaders: Jeff Mariola, Divisional Managing Director; Michelle Rodwell, Divisional Vice President Marketing (pictured); and Larry Rutkowski, Executive VP Sales

Year founded: 1963 **2008 sales:** $123.3 million

Company's biggest obstacle in '09: Our biggest challenge is to educate our current and prospective customers on the real and perceived value of the services we provide, and how cutting back can have a direct impact on people's morale and productivity. With businesses operating leaner, it's more important than ever to continue providing and investing in services that enhance work environments so people can thrive.

Company's biggest opportunity in '09: Our biggest opportunity is two-fold: To provide world-class service to our current customers, while continuing to expand our reach within our 40-plus markets in North America by offering a full range of services — from interior landscaping to wall art, ambient scenting and holiday decorating.

Three keys to success: Inspire, connect, engage

How's the economy treating you?: Like most service companies today, the downturn in the economy has affected discretionary spending.

LM Leader Profiles

Mainscape

Headquarters: Fishers, IN **Web site:** mainscape.com

Leaders: Dave and Zyg Mazanowski, Co-Founders and CEOs

Year founded: 1985 **2008 sales:** $35 million

Company's biggest obstacle in '09: Collecting accounts receivable.

Company's biggest opportunity in '09: A changing economic environment.

Three words for success: The triple win

How's the economy treating you?: Overall, we are doing well in this economy, both from an income statement and balance sheet perspective.

Gothic Landscaping/ Gothic Grounds Management

Headquarters: Valencia, CA **Web site:** gothiclandscape.com

Leaders: Michael E. Georgio, CEO; and Jon S. Georgio, President

Year founded: 1984 **2008 sales:** $80 million

Company's biggest obstacle in '09: Clearly, the deterioration of the economy and the housing industry in particular. General economic contraction is our biggest headwind.

Company's biggest opportunity in '09: The downturn in housing has created a new sense of urgency to accelerate our growth in landscape maintenance, public work construction and general contractor partnerships.

Three keys to success: Service, partnership and discipline

How's the economy treating you?: We would prefer the economy presented a growing market, but we always seem to strengthen our focus in a declining market.

ValleyCrest Landscape Cos.

Headquarters: Calabasas, CA **Web site:** valleycrest.com

Leader: Richard A. Sperber, President & CEO

Year founded: 1949 **2008 sales:** $990 million

Company's biggest obstacle in '09: A key to success in 2009 will be keeping employees motivated during these challenging economic times.

Company's biggest opportunity in '09: A big opportunity we see in 2009 is adding the right new talent to the ValleyCrest team. There is a growing pool of top talent that is interested in joining a stable national company.

Three words for success: Keep it simple.

How's the economy treating you?: It is a challenging time, but we'll get through it.

The Brickman Group, Ltd., LLC

Headquarters: Gaithersburg, MD

Web site: brickmangroup.com

Leader: Scott Brickman, CEO

Year founded: 1939

2008 sales: $680.8 million

Company's biggest obstacle in '09: For Brickman, the same challenges that are impacting business in general and our industry specifically, notably the economy and consumer spending, create for us challenge and opportunity at the same time. Adapting to our clients' imperatives to reduce costs and provide the highest level of value for every dollar they must spend allows us to focus on what has always been a driving force in our business: providing the best quality product at the lowest possible price. Reinforcing this discipline and engaging our teams at all levels to focus on efficiency and cost savings is generating a sense of purpose that has brought our teams together and created an exciting outlook on the future. We know these improvements will make us even more productive in the years to come.

Company's biggest opportunity in '09: At the same time, we have remained true to the core value of treating our team members like family, and I am encouraged to see how tough times bring us together. The Brickman Foundation, created to help our neediest team members in times of financial hardship, has received the highest level of employee contribution since its inception. This is a heartwarming sign of our special culture in action — and reinforces our commitment to each other to pull together through these challenging times.

Three keys to success: Integrity, discipline and courage

How's the economy treating you?: We choose to rise to the challenge in the economy. We see it as an opportunity to further hone our processes and improve our efficiencies to continue to provide the best quality and value to our customers. If we can partner with them to help them through the tough times, we come out of it with even stronger relationships going forward.

The TruGreen Cos.

Headquarters: Memphis, TN **Web site:** trugreen.com **Leaders:** Stephen M. Donly and Rick Ascolese, Presidents

Year founded: 1974 **2008 sales:** $1.41 billion

Company's biggest obstacle in '09: Both our residential and commercial customers are experiencing the effects of a slow economy. In 2009, we must focus on the value we bring to our customers by providing superior service with green, visible results.

Company's biggest opportunity in '09: We have a tremendous opportunity to develop stronger relationships with our customers — both residential and commercial — to ensure we are viewed as partners rather than vendors. We do this by educating our customers on the financial and environmental benefits of healthy lawns and landscaping, by providing a choice of lawn and landscape options for our customers, including natural, organic options, and by developing custom lawn and landscape programs that directly address each customer's needs.

Three keys to success: Service, results and growth

How's the economy treating you?: Our customers are certainly affected by the economy, but we are able to think creatively to find innovative ways to demonstrate our value.

Lambert Landscape Co.

Headquarters: Dallas

Web site: lamberts.net

Leaders: Walter Dahlberg, Chairman and Senior Landscape Architect; Paul Fields, President, Director of Design and Senior Landscape Architect; and Dan Morgan, CEO

Year founded: 1919 **2008 sales:** $18.66 million

Company's biggest obstacle in '09: Joe and Henry Lambert, who founded Lambert, started this company on the heels of World War I and steered it through the Great Depression — just in the first 20 years of its existence. As a business, we realize that maybe times are not quite as bad as they could be, or at least not as dire as the media leads us to believe. The economic challenge is real, but so is our unwavering commitment to emerge from this recession as a continued industry leader for design, construction, maintenance and tree care.

Company's biggest opportunity in '09: Our entire team is working smarter, tightening our belts and finding ways to better serve our clients, staff and the environment. We are implementing ways to make our company leaner, greener and more efficient. As other firms are reducing staff or closing their doors, we are still blessed with opportunity. Accordingly, we will continue to employ and train passionate professionals to provide our clientele with the highest quality products and service at the best value available.

Three keys to success: Quality = Referrals = Market Saturation

How's the economy treating you?: We continue to work with wonderful clients — individuals who have the desire and resources to design, implement and maintain gardens of timeless design.

WEB EXTRA!

Visit **landscapemanagement.net** for *LM* Leader Profiles on Bartlett Tree Experts, Carol King Landscape Maintenance, Dworsky Services, Jensen Corporate Holdings and Marina Landscape.

The Bruce Co. of Wisconsin

Headquarters: Middleton, WI

Web site: brucecompany.com

Leader: Bliss Nicholson, President and CEO

Year founded: 1952

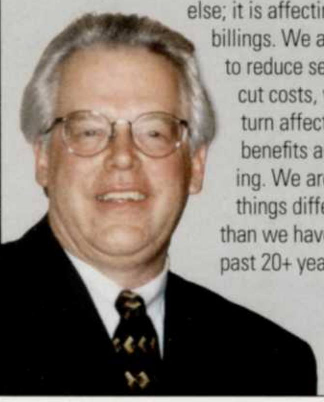
2008 sales: $42 million

Company's biggest obstacle in '09: Being able to maintain the relationships we have with clients in light of pricing awareness and the economic challenges everyone is facing.

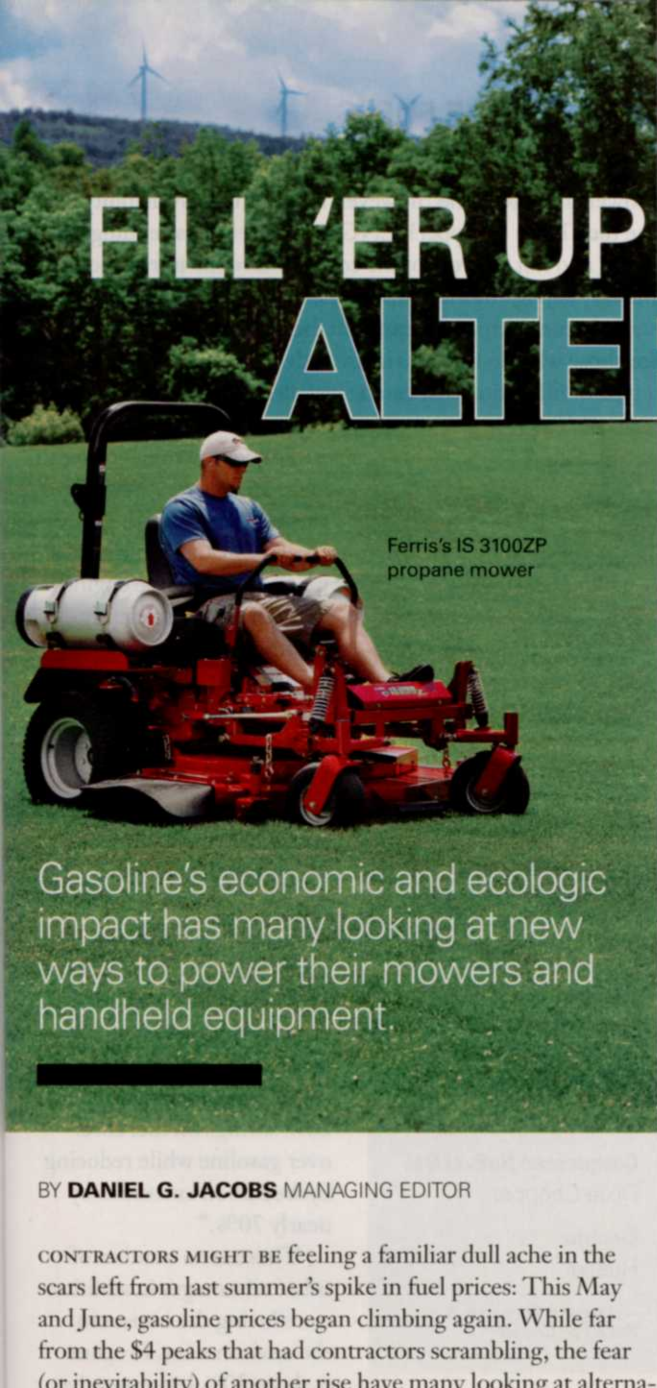
Company's biggest opportunity in '09: To continue to present ourselves as a leader in our area and continue our long-term relationships by showing our commitment to service and doing what we say we will do.

Three keys to success: Listening, service and follow-through

How's the economy treating you?: We are in the same situation as everyone else; it is affecting our billings. We are having to reduce services to cut costs, which in turn affects wages, benefits and staffing. We are doing things differently than we have for the past 20+ years.



FILL 'ER UP — WITH ALTERNATIVE FUELS



Ferris's IS 3100ZP propane mower

Gasoline's economic and ecologic impact has many looking at new ways to power their mowers and handheld equipment.

BY **DANIEL G. JACOBS** MANAGING EDITOR

CONTRACTORS MIGHT BE feeling a familiar dull ache in the scars left from last summer's spike in fuel prices: This May and June, gasoline prices began climbing again. While far from the $4 peaks that had contractors scrambling, the fear (or inevitability) of another rise have many looking at alternative ways to fuel their tools of the trade.

Proponents of alternative fuels claim their products are cheaper than gasoline, are better for the environment and require fewer trips to the repair shop — all of which contribute directly to the bottom line. The latest entrant into the commercial market — introduced in April — is Dixie Chopper's compressed natural gas (CNG) mower.

"This is the next step, in our opinion," says Rick Judy, Dixie Chopper's media marketing manager. "In the very near future, CNG is going to be where propane is now."

Whether it's CNG, propane or electric, the future, these manufacturers argue, is not going to be with gasoline.

"That's where our society is going," Judy says. "People are putting bids out, large manufacturers and cities are looking for people to cut their grass and they are looking for green, commercial cutters. We've sold a lot of propane mowers because of that. The commercial guy needs to start looking in that direction. There's a lot of money to be made out there to be the first guy to 'go green' in your community."

Overcoming concerns

Contractors unfamiliar with the alternative options typically raise three concerns when considering a propane mower: safety, availability and fuel supply.

"The first thing you hear when you pull a propane mower into a show," Judy says, "is 'you've got two bombs, one on either side of you.'"

Judy counters that the forklift industry has been using propane tanks safely for years. Besides, the same people who express concerns over a propane mower often think nothing of going home at the end of the day and firing up their propane grills, he says.

Manufacturers of propane lawn equipment hope a similiar attitude of acceptance will carry over to mowers.

"The time for alternative fuel is ripe, more so than it ever has been before," says Jim Lawton, commercial sales manager for Ferris Industries. "The forklift industry was there 20 years ago; they put some incentives in for conversions. We look at that industry today, and the majority of them are running around with those 33-lb. cylinders on the back of them and nobody thinks any more of it."

Ferris joined the propane movement when the company was purchased by Briggs & Stratton, which already had a propane engine, Lawton says.

"It was a perfect one-two combination," he says. "It's really all driven from demand. In the Austin, TX, area we've had dealers doing mower conversions — and we've been selling equipment over the last three years with some pretty nice success."

What may slow the acceptance of propane and CNG

Lehr propane-powered eco trimmer.

mowers in other areas, however, is the limited availability of the fuel. Dixie Chopper's CNG mower requires refilling the tanks, and not all areas of the country have the infrastructure for easy supply. In those instances, there are portable filling stations contractors can carry on their trucks and trailers. And for those who do business in areas that are equipped, there is a type of fill station that can be installed to feed off an existing natural gas line.

For contractors looking to make an immediate switch to an alternative fuel, there are conversion kits. But manufacturers warn that the engines may not run as efficiently because they were originally designed for gasoline.

MANUFACTURERS WITH ALTERNATIVE FUEL EQUIPMENT

Propane
Bad Boy
Dixie Chopper
EnviroGard
Ferris Industries
Husqvarna
Lehr
Scag Power Equipment
Zipper

Compressed Natural Gas
Dixie Chopper

Electric
Hustler

— Propane Education & Resource Council

The environment

While the alternative mowers have a higher up-front cost, some states subsidize the cost of the machines — putting them on par with their gasoline brethren. So, why all the fuss? According to PERC: "Propane engines run clean without sacrificing performance — delivering approximately 20% savings on fuel costs over gasoline while reducing hydrocarbon emissions by nearly 70%."

There are a number of other advantages in addition to reducing the impact to the environment. Propane is about 30% less expensive than gasoline, Lawton says.

There's also the longevity factor. "Engines that run propane tend to last two to three times longer than their comparable gasoline equipment," says Bernardo J. Herzer, CEO/founder of Lehr. "An engine that runs propane also tends to have less maintenance issues. Between 80% and 90% of the problems generated with small handheld internal combustion engines are derived from carburetion."

Both propane and CNG are still in their infancy, especially in the United States. By comparison, Herzer notes, nearly a third of the vehicles in Europe run on one or the other gasoline alternative.

"Around the world, natural gas and propane are much more commonly used as an alternative fuel for consumers," Herzer says, adding, "In the U.S. it is coming — and it's coming very quickly." LM

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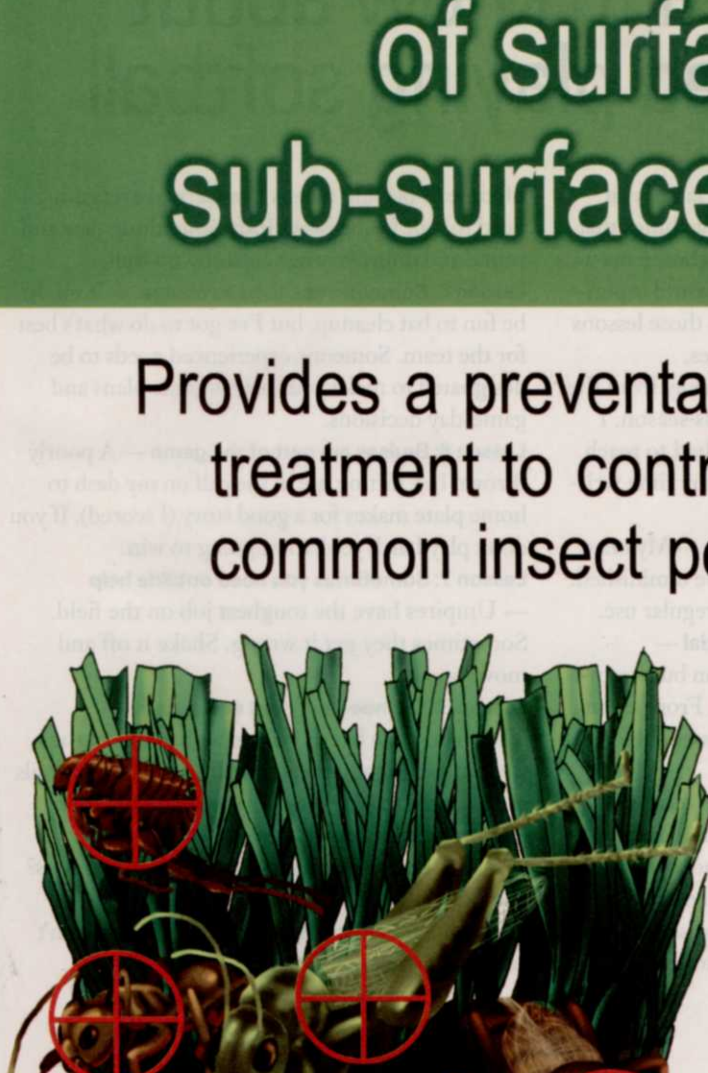

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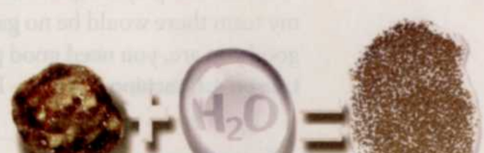
- fire ants
- ticks
- mole crickets
- fleas
- and more



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DANIEL G. JACOBS MANAGING EDITOR | Contact Dan at 216/706-3754 or via e-mail at djacobs@questex.com.

Everything I need to know about business I learned playing softball

You can attend all the classes you want, but there are few things that prepare you for your chosen occupation as well as real world experience. And sometimes those lessons come from the most unexpected places.

After spending nearly five years away from the game, I rejoined a softball league this season. I was struck by how much my return had to teach me about the stuff I spend much of my time writing about.

Lesson 1: If you don't use it you lose it — My once (in my mind) considerable talents have diminished. Skills, like muscles, atrophy without regular use.

Lesson 2: Proper preparation is essential — My muscles have begun their rebellion but warming up before I play prevents injuries. From client meetings to job sites, preparation is essential for any business activity.

Lesson 3: It's a team effort — Over the course of a couple hours and two games, I might have only three or four plays at third base. Without the rest of my team there would be no game. No matter how good you are, you need good people all around you.

Lesson 4: Coaching is vital — I'd like to think a lifetime of playing means I've learned everything I need to, but I can always learn something new and refine and improve what I already do well.

Lesson 5: Someone has to be in charge — It might be fun to bat cleanup, but I've got to do what's best for the team. Someone experienced needs to be designated to make your team's game plans and game-day decisions.

Lesson 6: Bruises are part of the game — A poorly thrown ball hitting me in the calf on my dash to home plate makes for a good story (I scored). If you don't play hard, you're not going to win.

Lesson 7: Sometimes you need outside help — Umpires have the toughest job on the field. Sometimes they get it wrong. Shake it off and move on.

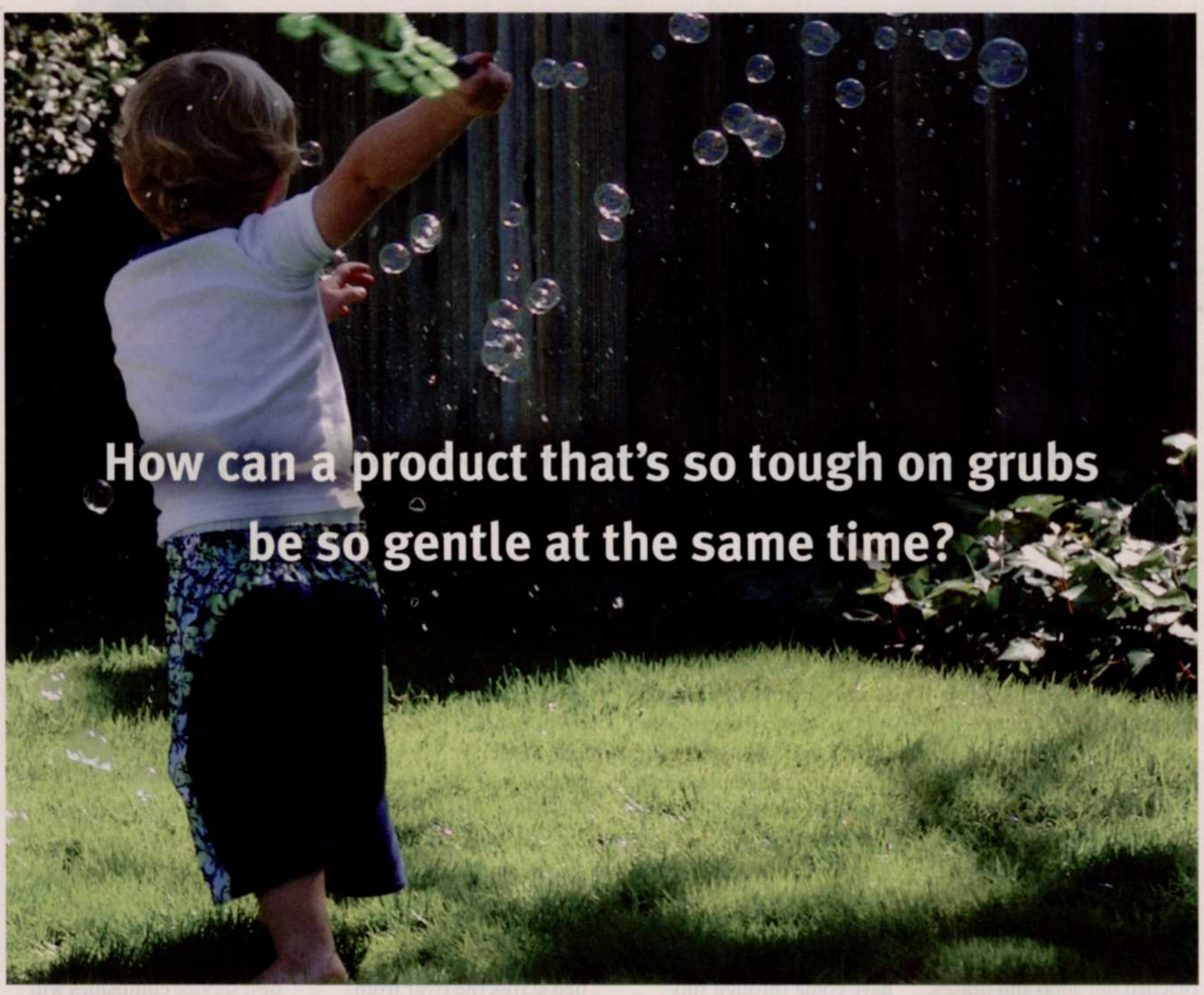
Lesson 8: You need the right equipment — The wrong size bat or a glove with a hole in the webbing isn't going to do much good. Proper tools are essential to play the game well and for your employees to complete their tasks.

Lesson 9: Practice. Practice. Practice — Questions? See Lesson 1.

Lesson 10: It's all about having fun — If you don't enjoy doing it, why bother.

Classroom training on how to identify and eradicate weeds and pests, properly build retaining walls and install irrigation systems is helpful, but no replacement for on-the-job training with experienced technicians. But we're all formed and influenced by our experiences. Just remember: Don't discount learning moments no matter where, when or whom they come from. There's an old saying, "Good judgment is the result of experience and experience is the result of poor judgment." But I would argue, wisdom is the ability to apply the lessons learned in one experience to the challenges of another. Now, if you wouldn't mind, toss me a high, arching fat one. I want to crank one outta here.

Wisdom is the ability to apply the **lessons learned** in one experience to the **challenges** of another.


How can a product that's so tough on grubs
be so gentle at the same time?

LM'S OPERATOR OF THE MONTH » **BY RON HALL**

Dean Moore started in the lawn care business with rented hedge clippers, a motorcycle and an understanding that quality work and honest, personalized service would lead to success. What he didn't count on were two devastating floods in his part of Iowa.

AT A GLANCE

COMPANY: Quality Care, The Nature Care Company, Coralville, IA

FOUNDED: 1980

PRINCIPAL: Dean Moore, President

NUMBER OF LOCATIONS: 1

EMPLOYEES: 107

SERVICES OFFERED: lawn care, tree and shrub care, landscape maintenance

INDUSTRY INVOLVEMENT: PLCAA/PLANET member since 1980, Iowa Professional Lawn Care Association

WEB SITE: www.quality-care.com

Your market in and around Cedar Rapids and Iowa City suffered incredible flooding in June 2008. Tell us about it. Our area flooded in '93, so we had some experience in operating from temporary headquarters. As the waters rose last year and flooded low-lying areas, city officials kept us updated with flood crest predictions, which led us to move to higher ground four days before the waters reached our shop and offices.

A lot of credit goes to our terrific staff. We didn't miss a single day of operations because of flooding. We rented a couple of empty warehouses and put our office staff in two hotel rooms and operated like that from the middle of June until the end of October.

The flood impacted our clients in different ways. We didn't lose many clients as a percentage of our business because of flooding. At a few locations we changed our maintenance service to clean up and replanting.

Quality Care is recognized for its community service efforts. Tell us about that. Our longest association has been with our local Goodwill Industries. We were introduced to the concept of supported employment in 1985 and hired a young man who's now the longest tenured employee on our staff. Over the years, the supported employment concept has expanded to include students with learning disabilities or coming from disadvantaged situations. We strive to have 10% of our staff comprised of folks who have come through supported employment, which is usually Goodwill Industries. They make a significant contribution to our business, and are loyal and grateful for the opportunity. Goodwill recognized us as their "Employer of the Year" in 1998, which was very meaningful to me.

Your company's marketing material emphasizes the training your employees receive. Share your training strategy. All of our operations staff leaders came up through the ranks, beginning as lawn or landscape maintenance staff. So the people managing the work have done the work themselves. We also have a training handbook for each area of service. We hold weekly staff meetings in each division to reinforce training and expectations and to discuss topics of importance specific to the time of year. For example, emerald ash borer has been identified across the river from northeast Iowa, and we're preparing for it.

What do you see as the biggest opportunity for Green Industry contractors during the next decade? I see two. The first is for Green Industry businesses to distinguish themselves by providing the highest level of customer service. The people who hire us want their properties to look great and their service providers to respond immediately and completely to their needs. Beyond that, the best service companies will identify and preemptively correct potential problems before they become bigger.

The second opportunity is to offer the "greenest" service possible. The business that best promotes itself as environmentally conscious, and correctly identifies the ways in which its business practices enhance the environment, will be the company with which clients want to work. We all need to be examining the ways we make an impact on our natural world.

"WE STRIVE TO HAVE 10% OF OUR STAFF COMPRISED OF FOLKS **WHO HAVE COME THROUGH SUPPORTED EMPLOYMENT,** WHICH IS USUALLY GOODWILL INDUSTRIES."