



2012 were all better as far as stability, I think, because natural gas was so plentiful.”

For pesticides, LaNore doesn't “see them going crazy. I try to keep my budget within 12 to 15 percent for material.”

Jim Campanella, owner of Nashua, N.H.-based Lawn Dawg, is seeing a slight increase in fertilizer prices over last year. “There's concern that an increase in corn production and even almond production out West is going to drive the cost of urea, which will drive up fertilizer prices,” he says. “With pesticides, they're steady, or in some cases down.”

Andrew Ziehler, president of Ziehler Lawn and Tree Care in Centerville, Ohio, sees a similar trend.

“Herbicides tend to stay consistent or they're smaller increases,” he says. “Fertilizer prices are continuing to go up, so we take advantage of early-order programs so we can lock in prices and know what we have for the year. We're also looking for products that won't fluctuate as much. Sometimes I wonder if I should just invest in fertilizer, buy it up and sell it off the next year.”

Bill Leuenberger says Chalet's pesticide and fertilizer budget should be about the same as last year's, although he's hoping to see a volume increase on the lawn care side of the business, which would boost the budget.

“Fertilizer prices are going up, and there isn't too much you can do,” he says. “We're on the North Shore of Chicago, so the quality has to be very good. That's part of the reason we have a price increase this year.” Chalet is raising lawn care program prices 5 percent for the first time in nine years. **LM**

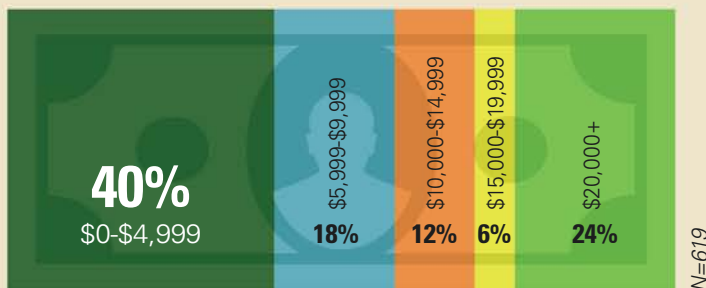
PHOTO: LAWN DAWG; ILLUSTRATION: ISTOCK INTERNATIONAL INC.

## ★ PURCHASING BUDGETS ★

### How will your pesticide- and fertilizer-purchasing budgets change in 2013 vs. 2012?

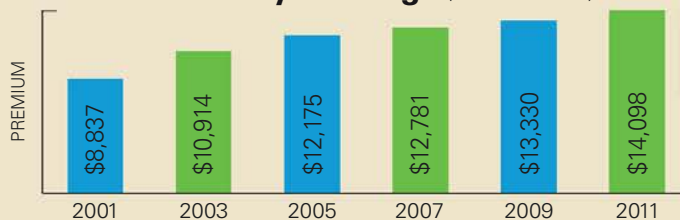


### What's your estimated pesticide- and fertilizer-purchasing budget for 2013?



## ★ FUEL, HEALTH CARE COSTS ARE TOP CONCERNS ★

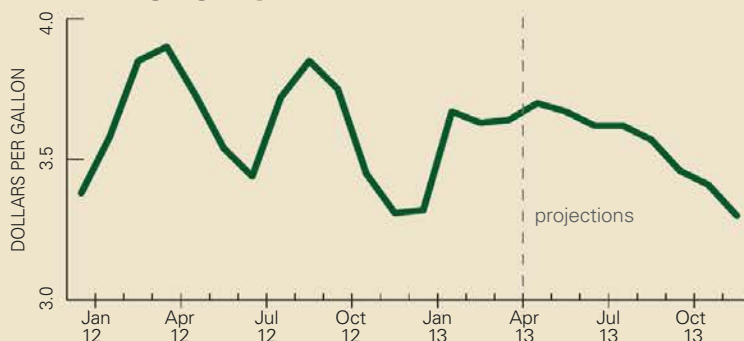
### Annual business health care premiums for family coverage (in 2011 dollars)



Health care rising

Source: Scott Shane, Case Western Reserve University, with data from the Kaiser Family Foundation's Employer Health Benefits 2011 Annual Survey

### U.S. average gas prices (regular grade retail price including taxes)



Source: Energy Information Administration's Short-Term Energy Outlook

# IS THE PRICE RIGHT?

*Lawn care companies carefully consider charging more.*

BY MARISA PALMIERI

**T**HOUGH MANY LAWN care businesses say the time is right for a price bump (46 percent), just more than half say they'll hold steady and won't raise prices this year, according

to *Landscape Management's* Lawn Care Market Report survey. Only 2 percent say they'll decrease lawn care prices this year (see chart on opposite page).

Those who plan to increase prices will do so about 5 percent, while those who plan to decrease prices will do so less than a percent, according to the survey.

Price increases or not, companies report the lawn care application business remains profitable—with respondents to *LM's* Lawn

Care Market Report survey reporting a 25 percent profit margin on lawn care services.

North Chicago, Ill.-based Chalet raised lawn care prices 5 percent for 2013—its first increase in nine years.

"We've done a slight price increase and we haven't had a huge cancellation like we might normally get from an increase," says Bill Leuenberger, soil and turf management department manager. "Cancellations have

been about the same as a normal year—and most of those are people who are moving, so we'll follow up on those and the people who move in."

Likewise, Lawn Dawg, based in Nashua, N.H., instituted its first price increase in a decade—a 5 percent bump.

"My customer service team has had minimal push back," says owner Jim Campanella. "When they do get push back, we're not





ILLUSTRATION: ISTOCK INTERNATIONAL INC.

## ★ PROFITS & PRICES ★

### Will your company's prices for lawn care applications change in 2013 over 2012?



# 25

% profit made on lawn care services

N=511

### By what percent will you change prices from 2012 to 2013? N=396



going to lose a customer over \$20 a year; keeping the business is more important. But people understand. They see the price of fuel going up every day and that we haven't had an increase in so long. They've been expecting it."

In the Florida panhandle, Banfield's Lawn Care & Landscaping has not raised prices yet in its three years in business.

"I don't really have a need to do it," says Kelly Banfield, president

and CEO. "I don't believe price increases are important as long as the business itself is growing. Of course, if the product prices really jumped you'd have to."

Lee Kral, lawn service manager for Mountain High Tree, Lawn & Landscape Co., in Lakewood, Colo., also didn't raise prices this season.

"There's definitely a lot of competition on price," he says. "A couple years ago we had to raise prices because of fertilizer costs, but I'm going to keep it steady this year, get more clients on board and then look at it next year."

Some companies find ways to selectively raise prices, like MRW Lawns in La Plata, Md. "We didn't do an across-the-board price increase this year because we did a select price increase last year," says

Rick LaNore, MRW's co-owner and technical director. "But we did raise prices on our new customers—we couldn't afford to give everyone the old prices because of fluctuating fertilizer prices."

Andrew Ziehler, president of Ziehler Lawn and Tree Care in Centerville, Ohio, typically raises prices 2 percent to 4 percent per year, and he did so this year.

"There was one year we didn't raise prices because our product costs actually went down," he says, noting that's not the case this year. His protocol is to let customers know in a letter at the end of the season if prices will rise the next year. "They have a payment option that lets them avoid the price increase if they want to. Otherwise, the increase takes effect." **LM**

# BOUND BY RESTRICTIONS

*The industry addresses fertilizer and pesticide regulations at the local, state and national levels.* BY DAN JACOBS

**L**OCATION, LOCATION, LOCATION. The oft-cited phrase used to justify the price and salability of any home is equally good at describing the state of fertilizer and pesticide regulations across the country.

In some places, New Jersey for example, the rules are relatively set and contractors are learning to deal with the requirements. In areas where things are less settled, lawn care companies and industry associations are working furiously to ensure those who oppose fertilizers and pesticides are unable to have their loud protestations enacted into law.

One of the myths everyone jumps to is people oppose chemical product use, and they don't, says Karen Reardon, vice president, public affairs, for Responsible Industry for a Sound Environment (RISE). It's up to the industry to do a better job of reminding consumers about the public health aspects of these products.

And it's not just the public that needs to be educated. It's politicians, too.

"The biggest problem in a lot of these regulations, in addition to having to jump through more hoops, has



been these blackout periods, when legislators arbitrarily decide when the frost will come in a state," says Tom Delaney, director of government affairs for the Professional Landcare Network (PLANET). Politicians set hard dates about when products can be applied.

"In New York it cut back almost a full month from when lawn care professionals could fertilize," Delaney says. "Usually lawn care professionals started in March, depending on the weather, but now they can't start until April. Some of these guys are still trying to figure out the influence on their business."

## STARTING THE CONVERSATION

Since politicians serve at the pleasure of the public, they often use public polls to guide their decisions.



“Most people, we know from surveys, agree products should be available and used when needed,” Reardon says. “Some of these policies and proposals are not reflective of broader public opinion when you remind folks about why we need pesticides.”

The problem is, politicians aren’t polling on these issues. Instead they are hearing the voices of those opposing the use of chemicals. Anti-pesticide activists are engaging in conversation with legislators at the local and state levels while many contractors are busy running their businesses. The voice of the industry is often left unheard, Reardon says.

“Opponents and activists are very vocal and very dedicated to driving the policy discussion and debate at the state and sometimes at the local level about these products,” she says. “They’ve been at it at quite some time. Although they certainly are a minority, they are well known and they have something to say. They’re influential because they show up. As the saying goes, ‘The world is run by those who show up.’”

Industry associations like RISE and PLANET track proposed rule and regulation changes across the country, but they can’t fight the battle by themselves.

“Don’t be ignorant of what’s happening in other states, because it will come to you,” Delaney says. “Be vigilant when things are introduced in your legislature and play an active role, even if it’s just being supportive and attending a hearing by showing your interest in a subject.”

And there is plenty to be paying attention to.

## STATE ACTIVITY

Some states have preemption laws, which prevent local governments from enacting their own pesticide ordinances that are stricter than the state’s rules.

New fertilizer laws and restrictions have been the hotbed of activity recently. When enacted, the two-year-old New Jersey fertilizer law was one of the most comprehensive and restrictive to date. It has applicator training and certification requirements, rules on when applications can be made (March 1 through Dec. 1), where product may be applied and what types may be used (no phosphorus may be applied unless a soil test shows it’s necessary).

Other states have followed suit. Maryland is one of them.



TOM DELANEY, PLANET

“Next year, because of the new fertilizer law, we’ll have blackout dates that will prevent us from putting fertilizer down from March 1 to Dec. 1,” says Rick LaNore, technical director and co-owner of MRW Lawns, in La Plata, Md. His firm historically has begun applications around President’s Day, so it will take a hit next year. “That’s about two weeks of billings, probably around \$100,000, that we’re not going to have.” The Maryland law, which will be effective Oct. 1, also will have a certification and licensure component for applying fertilizer, as many other states have adopted.

In some of the states that require applicators to be certified and/or licensed before they can apply products, getting the systems up and running isn’t always a smooth process.

Rutgers University is in charge of New Jersey’s training and testing. Once you’ve gone through the study materials, a contractor pays a \$75 fee to take the test. Those who pass the test become certified for five years and pay a \$25 per year fee to keep that certification. As certified applicators, they are able to train other employees in the business. Those secondary certifications cost \$25 and are only good for one year.

“Virginia has been slow in getting their training requirements in for fertilization,” Delaney says. “They had that same problem in New Jersey. Rutgers took a long time to get theirs done.”

The University of Florida, which also has many fertilizer restrictions, offers training on fertilization, but the state has yet to formalize training, Delaney says. At PLANET’s most recent Lawn Care Summit a speaker from the Florida Department of Environmental Protection indicated the time is coming when lawn care professionals in that state will be required to show verification of their training, Delaney says.

Although fertilizer laws have been a focus as of late, pesticide restriction concerns remain. An article in the *Denver Post* in February highlighted one bout.

“The battle is so pitched that local lawn-and-garden pros fear that a Canadian-style ban on pesticides and herbicides looms and they’ll be left without a powerful tool to fight landscape-decimating pests and weeds,” reads the article written by Colleen O’Connor.

One of those worried about the changes going on in



his state is Tom Lynch, Fort Collins, Colo., branch manager for Swingle Lawn, Tree & Landscape Care.

“The biggest thing we can provide is an education to the decision makers of these municipalities that are faced with this type of coalition that says ‘We want to ban the use of all pesticides,’” Lynch says. “We need to be able to educate those decision makers about what we do and why we do it. We’re willing to work with them. That’s the one big thing that’s lost on this—we’re being targeted as the bad guy. We are practicing integrated pest management where we are only applying a pesticide when it’s deemed necessary.”

## NATIONAL ACTIVITY

There are challenges on a national level, as well.

“We are tracking a couple of issues there, including one that might seem unusual for the lawn care industry—the Endangered Species Act (ESA),” Reardon says. “There are a number of significant lawsuits that have the potential to impact the availability of products.”

The lawsuits, typically filed by individuals or groups opposed to chemical usage, often name particular compounds.

“One of the suits we’re calling the ‘megasuit,’ would impact the use of between 300 and 400 active ingredients across the United States — touching virtually every aspect of product use, including lawn care,” Reardon says. “If provisions of a certain number of these suits have merit and go forward, essentially they would in some ways take over EPA’s product registration process with necessary ESA consultations. That, in turn, would hamper the ability to get new products into the marketplace in a timely way for lawn care and other categories of use as well.”

The Clean Water Act has had an impact on fertilizer and pesticide applications, as well. Reardon says there’s already robust legislation governing chemical applications through the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) and that much of the legal action is simply duplicative.

## GETTING INVOLVED

The best way to combat those opposed to the application of pesticides and fertilizers is to make sure invested business owners share their concerns with their legislators.

Reardon believes the efforts of organizations like RISE and PLANET are slowly beginning to get that message across to the industry.

“We’re meeting some of our old friends,” Reardon says. “People are really enthusiastic about speaking positively and proactively—so, changing that conversation from defense to something that is very productive.”

RISE has been talking with applicators over the winter to help educate them about the issue.

“We’ve created a great consumer-facing website that also has resources for applicators at [DebugTheMyths.com](http://DebugTheMyths.com),” Reardon says. “It’s really just having the conversations with your customers, with your neighbors. People really value that peer-to-peer exchange on these kinds of topics. It’s being mindful of starting those conversations before there’s an issue and taking the time to talk with folks, whether it’s at church coffee hour or on the sidelines at the soccer games, and really distinguish yourself as a subject matter expert on this.

“We’re getting a lot of enthusiasm around that,” Reardon continues. “We know these folks have to stand up in their communities or in their states, and we’d like to help them have a conversation that’s more like one they would have with a customer versus having to be there possibly in an adversarial situation or on defense, which is not for everyone.”

PLANET has its own approach to encouraging landscapers and lawn care professionals to get involved at a grassroots level.

“We’re trying to get more people to sign up to agree to be leaders in their state,” Delaney says. That individual can help mobilize other state residents to get the message out. “That is so important,” Delaney says. **LM**

“ACTIVISTS ARE  
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‘THE WORLD IS RUN  
BY THOSE WHO  
SHOW UP.’”

—KAREN  
REARDON, RISE



*Jacobs is a freelance writer based in Cleveland, Ohio. Additional reporting by Marisa Palmieri.*

[ ADVERTORIAL ]

# Talkin' Tech

JERRY CORBETT » TECHNICAL SERVICES MANAGER, QUALI-PRO



## Q What trends are you seeing in the lawn care market?

The lawn care markets have been steady, even during these economic times. Most folks still enjoy having a nice lawn and it's an important part of our culture. This is also true for office/business complexes and apartment buildings. It's important to have nicely maintained landscapes and turf. There's value from the aesthetic appearance and having professionally maintained landscape and turf. With regard to housing, we know the landscape adds 10 percent or more to the overall home value. This is certainly an advantage if you're in the process of refinancing or looking at purchasing property. With regard to commercial complexes, it gives us the perception that the businesses operating within those confines are professional operations.

## Q What pests are lawn care operators (LCOs) most concerned with these days?

2012 was a different year! Whether you believe in global warming or 20-year weather cycles, we can all agree that 2012 resulted in a mild winter and thus gave us a much longer spring and summer. It may have been more regional, but I think the ticks, fleas, flies and mosquitoes were rampant in 2012. In my opinion, fire ants were worse last year than I've ever seen before. Also, because of a mild winter, we had larger weed infestations, including broadleaf weeds early in the spring, followed by late flushes of crabgrass and goosegrass. Goosegrass! This grassy weed has become more problematic in northern areas than I ever would have expected. Another pest that's on the rise are nematodes. If this temperature

cycle continues, I predict many LCOs will see nematode symptoms increase even in the farther North than normal areas. We've been dealing with them in turf and ornamentals in the South for years, but with the longer seasons and warmer temperatures, their presence will be more prevalent in the North as well.

## Q What's new with Quali-Pro in the lawn care market?

The newest LCO product we're marketing is our Quali-Pro Dithiopyr 2L herbicide. It's an outstanding liquid formulation, providing season-long control of grassy and broadleaf weeds in golf, lawn care, landscape, sod production, nursery and other areas. It has the following features:

- High-performance formulation;
- Excellent turf selectivity;
- Non-staining;
- Instantly blooms upon dilution even in cold water;
- Pleasant odor;
- Stable viscosity during cold exposure; and
- Extended shelf life consistency.

I know most of the first-round preemergent herbicide applications have gone out by this time of the year, but I recommend Dithiopyr 2L as an excellent option for the second-round applications. It will provide postemergent control of seedling crabgrass at the 1-5 leaf up to the early tiller stage. The point is if there's seedling crabgrass beginning to emerge, then here's a good tool to clean it up early and provide residual efficacy.

Another product we offer LCOs is Fipronil 0.0143 G Broadcast. Fipronil is one of the best products on the market for fire ant control. It's specially formulated for broadcast application

for control of existing and prevention of new fire ant infestations in residential, commercial, golf course and recreational turfgrass and landscape beds. A single application delivers up to one year of reliable fire ant control. It works by contact and ingestion and in all weather conditions. Low use rates mean it has an "anytime" application period, including fall and winter.

With regard to postemergent broadleaf weed control, we offer Quali-Pro 3-D Herbicide which is a combination phenoxy herbicide that can be applied to most warm-season and cool-season turfgrass cultivars. It will control a wide spectrum of broadleaf weeds, including henbit, chickweed and dandelions.

For the LCOs dealing with southern turfgrass cultivars and weed control, we have Quali-Pro MSM. MSM contains Metsulfuron, which is a powerful sulfonylurea herbicide used on southern turf and will control several broadleaf weeds.

## Q What's different about Quali-Pro?

All Quali-Pro products are university tested, as well as tested internally. We promise to deliver an economically competitive product with superior formulation technology. Our office and headquarters are located outside of Houston near Pasadena, Texas.

Also, with Quali-Pro you have someone that you can call anytime. If you have a question about a Quali-Pro product with rates, issues or performance, you can contact me at [JerryC@quali-pro.com](mailto:JerryC@quali-pro.com).

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# The old COLLEGE TRY



»» **W**esley Chiles was young enough to have a lemonade stand. After all, he was 10 years old making \$35 in cash mowing a neighbor's yard. At age 12, he got his first riding mower. He was too young to drive a car, yet he suddenly found himself in the throes of his own landscaping business.

Chiles' is the story of so many other young landscaping entrepreneurs who started their businesses while students—whether in grade school, high school or college. Theirs are the stories of youth who started in the business with no more than a truck, a mower and a friend or family member to help them. They scuttled home from college on the weekends to man their landscaping businesses, only to hurry

back in time for Monday's classes.

What separates these student business owners from the rest of the pack is their staying power—their ability not only to learn, but to teach how to run a business well.

## Growing the biz

Chiles, 21, is on spring break. A sophomore majoring in agribusiness at Virginia Tech, he's the owner of Chiles Enterprises in Louisa, Va. "I'm only concerned with providing the best quality possible, because that's what's grown my business to what it is today," he says.

What it is today is a six-figure, full-service landscaping business with 160 clients. "When I was 13, I heard competitors say, 'Hey, he's young, he's inexperienced, don't hire him,'" he says. "That's to be expected when there's a little



PHOTO: SAW DOAK; ILLUSTRATIONS: ISTOCK INTERNATIONAL INC.