# JCB Beefs Up Ag Presence with Dealer Expansion Page 16

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What Is a 'Dealer'
These Days?

GREEN INDUSTRY

Ma ts for Equipment Dealers

**BOB'S BUSINESS TIPS** 

# How to Sell the Dealer Experience

Page 14

Blower Market Shows Strong Sales in 2012 Page 18

**SPECIAL REPORT** 

# Weather You Like it or Not

Weather events this year leave dealers guessing and some showrooms full.

Dage 17

# A Reputation for Quality

First profiled in 1993, Marlin Stellhorn works to maintain his reputation and his workforce as he pushes off retirement.

Page 8

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# **FEATURES**

**Front Yard** 

Regular Customers Aren't the Only Customers

Best of the Web 06

Ventrac breaks ground on new manufacturing facility, Toro offering online shopping, Hustler-mower maker eyes growth in international sales, Stihl launches 'Tell Us Your Stihl Story' contest, Husqvarna suing Worx, Kohler Engines launches DIY poster contest, Trimmer line & parts from Rotary Corp., Schiller announces new distribution partner in West, OPEI announces 2012-2013 officers and directors

### Weather You Like 17 it or Not

A mixed bag of weather events this year has left dealers guessing, and some showrooms fuller than they ought to be at the end of the peak season.



### **Breaking Down the** 16 JCB Dealer Expansion

As JCB looks to improve brand awareness and agriculture product representation, they are beefing up their presence in markets like the Midwest with more locations.

# **DEALER PROFILE**



# **Maintaining a Reputation** for Quality

As he pushes off retiring from the industry he loves, Marlin Stellhorn works to maintain his knowledgeable staff, quality brand offering and good reputation. Story on page 8.

**Dealers Blown Away** 18 in 2012

> The blower market is showing strong sales in 2012, with consumers making more

purchases and commercial users finding new uses for equipment. 22

**Distributors Talk 2012** Sales, Predictions Distributors share how their

dealers' sales are performing at the year's halfway point and share their own predictions for the year's end.

# **BOB'S BUSINESS TIPS**

How to Sell the Dealer Experience

In a market saturated with countless power equipment brands, it's up to you to create your own brand—and sell the buying experience that goes with it.



# **ONLINE EXCLUSIVE**

# What Is a 'Dealer' These Days?

Could the future of the lawn and garden equipment business be mega-dealers who sell online, and small shops scattered throughout the country who pick up the pieces and provide service? greenindustrypros.com/10742947

# **Regular Customers Aren't** the Only Customers

ach year for a week in the month of July, you can find me on a boat, in a lake in northern Wisconsin surrounded by my family. It's one of my favorite times of the year to enjoy the weather, beautiful scenery, family time and small-town hospitality.

Well, the weather was rough, with temperatures reaching the 100s, and so was the hospitality. On a day when the temps started getting to me and I was almost at my family-time limit (my sister is pregnant and difficult), I decided to head into town with another not-somoody sibling for some air conditioning and food.

We popped into one of the six or seven bar and grilles on main street and ordered some pizza and their famous pink

While I sipped my lemonade and waited for the pizza, I saw a newspaper on the bar within arm's reach and picked that up along with a pen to do a word puzzle. My plan was quickly halted as the server told me the puzzles were reserved for regular customers.

My pizza standards are low. Even a bad pizza is a good pizza simply because it's pizza. But I expect more from customer service.

I think a lot of people forget that even regular customers make a first visit to your business. It was something you did then that made them return. I know a lot of dealers have been around for a while and have built a large base of returning customers. But as they age, you need a fresh group of regulars to fill that void.

This was my first visit to the establishment and I only return to the area a few times a year. While I know my business alone wouldn't keep that restaurant afloat, I had to wonder how other first-timers were treated.

As I mentioned earlier, this was one of a handful of eateries on the main drag. The restaurant business is a competitive business just like yours. Market saturation and the economy have an impact on their survival.

There are so many things you can't control in this industry, like the weather. In the article "Weather You Like it or Not" on page 12, you can learn how dealers across the nation are dealing with the weather they were dealt this year.

The one thing you can control is how you treat your customers. In the article "How to Sell the Dealer Experience" on page 14, Bob Clements shares how it is up to you to set yourself apart from your competitors with the service you provide.

It's good to maintain relationships with your returning customers, but don't let that get in the way of gaining a new regular. <



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# Ventrac Breaks Ground on New **Manufacturing Facility**

Venture Products Inc., manufacturer of the Ventrac compact tractor, recently broke ground for a new manufacturing facility located on their 21-acre site in Orrville, OH. Ventrac says it has experienced significant growth the past few years and is exceeding the capacities of its two current manufacturing facilities. The new 116,400-square-foot facility will allow Ventrac to house all operations at one location. The project will be completed in three phases, taking place over the course of three years. Phase one will house research and development, fabrication, welding, parts and warehouse departments. When completed, all operations—including corporate offices, assembly, paint, purchasing, marketing and sales—will be conducted under one roof. The company will be adding new jobs as a result of the building expansion.

10743343



While browsing this new e-commerce site representing Toro dealers, consumers will be given the option to purchase everything from trimmers and blowers to walk power mowers and snowblowers—as well as parts and accessories. When consumers visit torodealer.com, they simply select a local dealer from their personalized list. When purchasing online, most Toro products are shipped directly to the consumer's door. Larger items, such as TimeCutter zero turn mowers, are delivered by the local dealer of choice. 10737483

# **Hustler-Mower** Maker Eyes Growth in International Sales

Excel Industries Inc., manufacturer of Hustler Turf Equipment and BigDog Mowers, has named Brent E. Edmisten as vice president of global supply chain. Edmisten will provide leadership in managing the extensive growth of the company as international sales and the Hustler and BigDog product lines continue to increase. Fiscal year sales for 2012 are expected to reach more than \$170 million, up from 2011 sales of \$150 million. 10744550

# Stihl Launches 'Tell Us **Your Stihl Story' Contest**

The Stihl "Tell Us Your Stihl Story" contest asks dealers, contractors and other end-users to post original photos, videos and Stihl stories for a chance to win prizes. Whether a favorite Stihl product helped accomplish a daunting job, a local Stihl dealer went above and beyond, or the overall experience with Stihl made a difference in one's life, Stihl wants to hear what makes Stihl special to its customers. Enter on the Stihl Facebook page (facebook.com/ stihlusa) where you can also check out other inspiring entries. 10743770

# **Husqvarna Suing Worx**

Husqvarna Group is taking legal action against Positec Germany GmbH claiming Positec's Worx robotic mower infringes two of Husqvarna's patents for robotic mower technology. Husqvarna pioneered the engineering of the robotic mower in 1995, an innovation that mows lawns by itself. Husqvarna Group has manufactured

almost 200,000 robotic mowers and is now offering its third generation of robotic mowers with the Husqvarna Automower and Gardena R40Li ranges. 10736800

# **Kohler Engines Launches DIY Poster** Contest

The Kohler Engines DIY Poster Experience is a web-based campaign that allows participants to create a unique online poster. When visiting kohlerengines.com/diy-poster-experience.htm, participants will be able to choose between several different keywords and phrases to craft a customized message. The fill-in-theblanks approach utilized on the site makes it easy for anyone to develop a personalized, lighthearted poster. To encourage participation, Kohler will even create professionally printed posters for the first 500 respondents and deliver free-of-charge. 10743481

# **PRODUCT NEWS**

# **Trimmer Line** & Parts from Rotary Corp.

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quad tex and premium quad trimmer line, available in loops, donuts or bulk spools.

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- High-wheel trimmer line
- Pre-cut trimmer line
- Several new Speed-Feed fast-loading trimmer heads
- · Replacement spools, covers, housing and cam assemblies

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# **Schiller Announces New Distribution Partner in West**

Schiller Grounds Care has appointed Billiou's Inc. in Porterville, CA, as the new BOB-CAT and Ryan distributor in the West. This region includes Arizona, California, Nevada and Utah. Billiou's will now represent Schiller's entire line of BOB-CAT brand commercial and consumer walkbehind and riding mowers as well as the Ryan turf renovation line that includes walk-behind and tow aerators, dethatchers, overseeders and sod cutters for the commercial sales and rental markets. 10743327

# **OPEI Announces 2012-**2013 Officers and **Directors**

The Outdoor Power Equipment Institute (OPEI) has announced its 2012-2013 Officers and Board of Directors:

- OPEI chairman Dan Ariens, president, Ariens Company
- OPEI vice chairman Todd Teske, chairman, president and CEO, Briggs & Stratton Corp.
- OPEI secretary/treasurer Paul Mullet, president, Excel Industries.

Continuing their service on the OPEI Board are:

- Immediate past chairman, Jean Hlay, president and chief operating officer, MTD Products Inc.
- Steven Bly, executive vice president, Echo Inc.
- Ed Cohen, vice president, government and industry relations, Honda North America
- Michael Hoffman, chairman and CEO, The Toro Company
- · Michael Jones, president of the Americas, Husqvarna
- Fred Whyte, president, Stihl Inc.

New to the board this year are:

- Marc Dufour, president, Club Car
- Peter Hampton, president, Active Exhaust Corporation
- · Lee Sowell, President Outdoor Products, Techtronic Industries, N.A., Inc. 10737438

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Marlin and Pat Stellhorn

# MAINTAINING A REPUTATION FOR QUALITY

As he pushes off retiring from the industry he loves, Marlin Stellhorn works to maintain his knowledgeable staff, quality brand offering and good reputation.

### Florissant, MO artslawnmowershop.com Founded: 1951 Owners: Marlin Arthur Stellhorn & wife Pat Employees: 20 full-time, 1 part-time Sales Mix: 65% wholegoods, 20% parts, 15% service Customer Mix: 60% commercial, 40% consumer Shop Labor Rate: \$84 per hour Major Lines: Billy Goat, Echo, Exmark, Honda, John Deere, Kubota, MacKissic,

**ART'S LAWN MOWER SHOP** 

f you walk into Art's Lawn Mower Shop in Florissant, MO, chances are you will see the same faces again and again. Many of the staff members have become permanent fixtures, with 30 years or more under their belt. Much of the staff is also made up of family members working full

and part-time. Perhaps it is the neverchanging staff that has turned customers into regular visitors as well.

Familiar with the staff and trusting in their knowledge, a loyal customer base has stuck with Art's through its 61 years in business. As the weather and economy prove to be unpredictable and unreliable, the staff at Art's survives on their own

Red-Max, Stihl, Woods

dependability as they maintain their reputation for quality.

# Employees and service

As some of the employees that have been with Art's for ages age, they hang their hats and prepare for retirement. One of their technicians recently retired after 37 years in the shop. Another will retire in May 2013 with 33 years under his belt.

"Those guys are hard to replace," says owner Marlin Arthur Stellhorn. "We have had them working with some younger people to get them up to speed."

The veteran techs work with newcomers on the ins and outs of equipment maintenance and repairs. Stellhorn's son-in-law Michael Rikard has been with the business 20 years and is in charge of the shop, specializing in diagnostics, hydraulics and electrical work. Stellhorn trusts mechanics to perform in their own special areas and support the others where they run short.

"You need mechanics on different levels," explains Stellhorn. "You need a guy who does the repetitive maintenance work as well as diagnostic people who can put their finger on a problem and either correct it themselves or direct the other mechanics on the procedures. If a mechanic has high-level abilities, and you feed him the general maintenance stuff, that has no challenge."

Providing technicians with a challenging and fulfilling work environment is part of what has kept the staff on so long. They are invested in their work and the success of the business.

Work orders are tracked on a schedule board in the shop with each assigned to a technician and given a projected completion date. The projected completion date is decided based on the available technician hours and the time required for the repair as it relates to difficulty.

"We do a projected completion date rather than vaguely saying we are three weeks out," says Stellhorn. "Customers appreciate the accuracy giving this calculation offers."

In addition to challenging the staff, Stellhorn works to maintain a harmony in the shop and ensure mechanics feel they are all treated equally. Past incentive programs are being reassessed to ensure fairness and quality assurance.

"We previously offered incentives and are re-evaluating the system because some technicians didn't think

the program was fair," explains Stellhorn. "We do think incentives are important to challenge them to go the extra mile, but don't want to encourage shortcuts."

The service facilitator fills out the technicians' time on the board so they can see how each other is performing. The team regularly talks about what is not getting done and any problems they are having.

As the technicians work together on improving skill and processes, Stellhorn watches as they age and move on. "Quite a few of our employees are longterm," says Stellhorn. "A few are retiring now and I think: 'Wait a minute, I'm

# Not-so-simple succession

supposed to go first!""

Don't let Stellhorn fool you. Recently celebrating his 69th birthday, Stellhorn says he always thought that the age of 70 would be a great time to retire. A year away from that deadline, he says he is nowhere near ready to say goodbye to the business he grew up in.

"My dad Art started the business in the 1940s and officially in 1951 moved it into a garage," says Stellhorn. "I later assumed command in 1963. For 48 years I've been doing this. Anything I learned I learned from him. I used to hang out in his back pocket listening to him talk to people about the quality of the mowers."



The parts and service counter at Art's Lawn Mower Shop is constantly bustling with customers who turn to the knowledgeable staff for guidance.

Art left the business to be a fireman, and since his departure there have been many changes made. They have grown from a lawn and garden dealer selling mainly push mowers to offering larger utility tractors, chainsaws and other commercial-grade equipment.

"My wife is my sounding board and those are changes we made together," says Stellhorn. "She knows the business and when I'm doing something right or

Wife Pat works all spring helping out where needed and has built a good relationship with the customers. Daughter Nora Muffler helps in the spring with special events and selling, but is busy as a teacher and mother of two.

Playing the most active role of the family members is daughter Merna Rikard. She says she has been taking over since she was five years old. Her more active role started after she completed college. Once Stellhorn is ready to transition out of the business, he will trust the dealership to daughter Merna and longtime employee Greg Mauch who has been with the business 39 years.

The transition, however, won't necessarily be as simple as when Stellhorn took over from his father. It won't be as simple as handing over the keys like it was years ago. Since they now have John Deere, the new owners will have to meet the manufacturer's stringent requirements in order to gain approval for continued operation. In general, being a single-store John Deere dealer can at times be challenging.

"Maintaining the John Deere brand is getting harder and harder," shares Stellhorn. "They encourage the multi-

location dealerships and that does give

The product offering in the clean showroom at Art's Lawn Mower Shop has evolved quite a bit since Stellhorn took over in 1963.

an advantage when you can split orders. Before that, you could have three or four stores but each store had to stand on its own. I can see why they do it, it's good business."

Stellhorn is not interested in expanding into multiple locations like many of his fellow John Deere dealers. It may be more likely in the future as Merna takes over.

> She is interested in the opportunities expansion could present them with.

While Stellhorn has to work hard as a single-store John Deere dealer to compete, he is happy to do so. He takes advantage of their Home Depot and Lowes partnerships, and uses it as another opportunity to connect with potential customers. They do equipment setup and warranty work on the products bought with the big box retailers.

"I know a lot of dealers resent John Deere being in the big box stores, but if they are going to sell through those stores, they are at least very fair about letting you market to their customer base, pushing our service and more premium machines," says Stellhorn. "Even though it brings a tear to your eye that they have John Deere in their stores, it's what is happening now and you have to make the best of the situation."

# Maintaining a farm and a reputation

Just like John Deere, the Art's brand has grown quite a following. Like many quality dealerships, Art's is known for a







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knowledgeable and consultative approach to sales and service.

"We have a real loyal base because our guys are good and have a lot of good information to share with the customers," says Stellhorn. "Sometimes I think we are used a lot for our knowledge, because you can't get that everywhere, and customers respect and appreciate it."

It's not just about being a good businessman; you need to know the customers, their needs, and the equipment you're selling. With his own farm 90 miles from the dealership, Stellhorn couldn't have a better handle on the needs of his customers and the equipment he offers.

He also really gets the workhorse mentality of his commercial customers. "The farm is a weekend thing and in the spring just Sundays," he explains. "When the hay comes we just find the time to take care of it. You think you don't have time to do it all and then suddenly you get your eighth day of work in."

Through his experience on the farm with his cow-calf operation, and the cutting and baling of hay, he has gained some credibility with tractor customers and farm hobbyists.

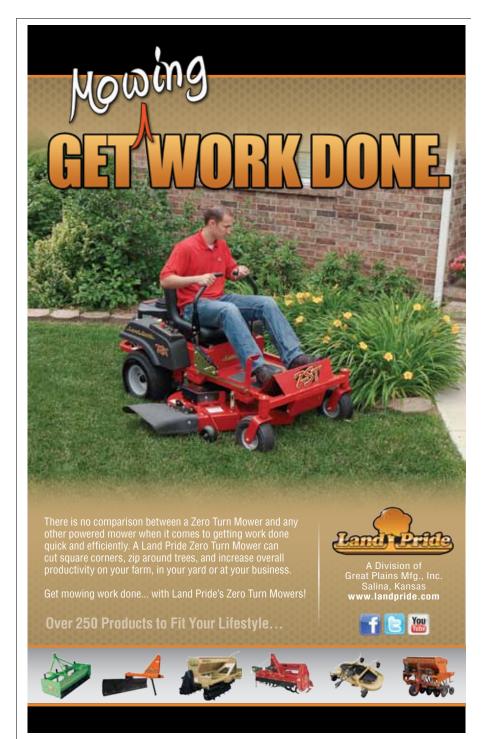
"When they find out what I do they want to talk with me about it," says Stellhorn. "I take it pretty seriously knowing what I'm doing when taking care of cattle and cutting and curing hay."

As they celebrate their 61st year as a dealer, it is clear that Stellhorn takes maintaining his dealership just as seriously. The company was also profiled in Yard & Garden magazine as they celebrated their 40th anniversary in 1993. The cover hangs framed in Stellhorn's office.

"I walk past the cover from the last story every day," says daughter Merna. "It's nice to read about employees that are still here who once worked in a department but are now heads of their own."

While the faces you see in the dealership haven't changed much in the last 21 years, the way they take care of customers has. Stellhorn knows they have to change the way they do business to meet the demands of today's customer. He keeps his reputation in tact by treating customers just as he would expect to be treated.

"Years ago, we just did what the machine needed with little communication with the customer," says Stellhorn. "Now, we call almost every one of them with an estimate. We give them a call because they expect it, and I would too."





> By Lisa Danes

# Weather You Like it or Not

A mixed bag of weather events this year has left dealers guessing, and some showrooms fuller than they ought to be at the end of the peak season.

n order to make green in the Green Industry, both dealers and landscape contractors alike depend on the

weather. The problem with that is that the weather is never dependable.

The typically unpredictable weather has proven to be even more so this year, with light snowfalls,

> an early spring, out-of-season tornadoes and extreme droughts. As dealers

adjust to changes in workloads with every forecast, some are seeing an increase in sales and service while others hang tight trying to keep staff busy.

# Light snowfalls

There was heavy snowfall late in the season in Oregon, but it was a very different story on the East Coast, with very light snowfall throughout the season. For Joe Busalachi at Buffalo Small Engine Repair in Buffalo, NY, snowthrower service was down 50%. As a result, he has a lot of parts still sitting in stock and was forced to lay off a part-time employee.

"The workload was definitely light. We had our regulars that came in, but after that there was nothing," says Busalachi. "We sat around for two

or three months cleaning and organizing."

To drum up business, Busalachi sent flyers and posted a coupon on their website. Despite their efforts, without snow to clear, they still only saw the regular customers who came in for annual maintenance.

# Early spring and tornadoes

As the snowthrower sales remained slow, Buffalo Small Engine Repair made way for an early spring that brought tornadoes, as well as equipment sales and service. Record-high temperatures were experienced throughout March in many areas of the U.S. The signs of spring triggered equipment maintenance and sales as consumers readied for the season

"The only nice thing that came from the lack of snow was that spring came early," says Busalachi. "Lawnmowers came in for repair and helped offset the bad winter we had."

Tornadoes also hit earlier in the year than normal, with fall being the typical tornado season. Many dealers saw an increase in chainsaw repairs as volunteers and municipalities came in to clear debris from storms that hit Minnesota, Michigan, Indiana, Illinois, Kentucky and Kansas.

"The counties and state highways came in to do a lot of the work," says Sandy Nunn of Ray's Lawn & Garden in Sellersburg, IN. "We sold a few chainsaws and had a couple volunteers that came in to buy chainsaw supplies, but it wasn't what we thought it would be. There was so much help from volunteers to get it done that we never saw a rush."

Sales of equipment didn't meet some dealer and manufacturer expectations. Nunn's supplier set her up with a shipment of chainsaws that they took back at the end of the weather event. As homeowners dealt with the destruction, cleanup wasn't a thought in their minds.

"With the tornado we expected to get a big influx of chainsaw and generator sales and we didn't have that," Nunn shares. "It was so devastating that going out and cutting a tree was the least of peoples' worries."

Sales run dry

Following the mild winter and early spring, many areas were hit by extreme droughts. As the drought took over, sales slumped once more. While the dry weather was good for contractors working in irrigation, equipment used for maintenance got little use, leading to a lack of new equipment purchases.

"Our local economy is tied to Lake Lanier in an emotional way," says Jeremy Elliot, with Georgia Outdoor Equipment and Garden Center in Oakwood, GA. "When people see the lake is down as low as it is, their hopes and outlook are squashed. When the lake is up at full pool, they are more apt to spend money."

Dealers in areas that are hit year after year by drought conditions have adjusted their orders accordingly. Fewer units at the start of the year can mean fewer to store at the season's end.

"The drought has affected our

sales big time in the last three or four years. We have learned to order lighter from our suppliers," says Dick Wulf, front-end manager of sales at Georgia Lawn Equipment with locations in Newnan and Griffin, GA, where they have seen some rain this year. "Sales this year are ahead so far over the past two years."

While equipment sales remain slow for most in the drought-stricken areas, service departments are still seeing regular maintenance and minor repairs. The only upside is the lack of urgency from customers who have to deal with shop delays.

"The service department has remained busy and we are far behind. People still bring stuff in for service

but they aren't treating it urgently," explains Geneene Bremer, assistant manager at Hoyer Outdoor Equipment in Brookport, IL. "We appreciate the breather from them in the service department, but

unfortunately it doesn't help the cash flow any."

Florida has seen some relief as Tropical Storm Debby soaked much of the state over a week in late June. While the northern part of the state saw extreme amounts of moisture, the southern part of the state was hit by multiple tornadoes. Like much of the weather, dealers will have to wait and see how sales and service will be impacted once the moisture fades away and a possible early fall hits. <

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# By Bob Clements

In a market saturated with countless power equipment brands, it's up to you to create your own brand—and sell the buying experience that goes along with it.

was recently at a dealership talking to the department managers about what customers are looking for as they decide who they are going to spend their money with. In discussing service, parts and wholegoods, I asked each manager what experience they were trying to create for their customers.

There was a long pause and finally the parts manager said: "I guess the experience of having the part the customer needs when they need it." I said: "That's great, so how are you doing in meeting that experience?" After another pause, he told me he thought they were doing okay. I received similar responses from the service and wholegoods managers.

Each department of the dealership needs to understand the importance of the experience they are working to create—and how to deliver it. With manufacturers jamming more and more dealers into a marketplace, your product lines are no longer a unique advantage. To set yourself apart from the dealer down the road, you can no longer rely on your brands. You have to work to create a unique experience that your competitors can't easily duplicate.

Here are a few ideas that you can use to create a unique customer experience in your store.

# Understand what makes you different and unique.

• People will pay more for what they perceive as different or unique. Why would a vase from the Ming Dynasty of China be more valuable than a vase from a local discount store? There are not many 4,000-year-old vases around and the more unique an item is, the more value we as humans place on it.

What do you want customers to walk away

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from your parts counter saying? "Their prices are high and they never have the part you need." How about your service department? "They have great prices, but when you get it back the equipment never works the way it is supposed to."

Whether you like it or not, you are constantly creating a customer experience. You have to make sure it's the kind of experience that will drive your customers to talk to others about your business in a positive way.

# Make sure you are developing your brand.

Your brand is intangible and has nothing at all to do with your location, the lines that you carry or the building you are in. Instead, it refers to the reputation behind your company's name and logo. To build your brand, you have to be consistent in the image you create in your store, your advertising and your web presence.

I try to get all my dealers to create a "sell line" that communicates what they are about in one sentence. That "sell line" is then used on signage in the store, on business cards, in advertisements and on the website.

Think of something as simple as Campbell's Soup, "It's mmm, mmm good!" How about Coke, "It's the real thing". I encourage you to take some time and work on a "sell line" that tells customers what you are all about.

# Reward your people for delivering the experience.

Don't forget about the importance of customer service and the impact your employees have on the customers' perception of your brand. Once a customer is ignored at the counter or treated poorly on the phone or sales floor, you've lost not only that person but everyone else that hears about the unfortunate experience. Remember that word-of-mouth can help, but it can also hurt. Get rid of employees who won't cooperate—even if they're related to you!

It's important to set goals for your people that focus on delivering the customer experience you are working to create. I do a lot of work in service and parts departments for dealerships, and as I help them define the customer experience they want to be known for, I work hard to make sure that every employee understands what we are striving to accomplish. They need to know they will be rewarded if they help to deliver that experience to the customer.

In a world where everything looks the same, creating a unique experience for your customers will set you apart from the crowd and add valuable dollars to your bottom line.

# **Bob Clements Web Briefing Series**

Watch greenindustrypros.com for a new series of web briefings, sponsored by Ideal Computer Systems, guaranteed to help equipment dealers finish the year strong. Editor-in-chief Gregg Wartgow sat down with Bob Clements to create the four web briefings that will debut this summer.

The web briefing topics are as follows:

- Shift gears for the second half of 2012 10742839
- Close more sales 10741120
- Dealing with numbers, vendors and customers 10742828
- Sneak peak at GIE+EXPO Dealer Training options 10742790

Bob Clements is the president of Bob Clements International, a consulting firm that specializes in the development of high-performance dealerships. His organization works hands on with dealerships throughout North America, helping them attain the personal freedom and financial wealth all entrepreneurs strive to achieve. For more information, visit www.bobclements.com.



> Visit greenindustrypros.com/yg/einquiry and enter 31

**SUPPLIER SPOTLIGHT** 

> By Lisa Danes

# JCBe Our Dealer



JP Moncada, brand marketing manager for JCB

As JCB looks to improve brand awareness and agriculture product representation, they are beefing up their presence in markets like the Midwest with more locations.

# Goals for gaining in agriculture

JCB is getting closer to that end goal. One of the largest construction equipment manufacturers in the world, they are working to increase the popularity of their agriculture products by moving into areas that have a strong market for the products.

"Our focus this year has been with agricultural dealers and expanding the agricultural line," explains JP Moncada, brand marketing manager for JCB. "Agricultural products are something that we haven't really pushed much in the 40 years we have been in North America. The best way to push that product is by getting dealers to do that for us."

JCB currently has 84 dealers in North America (U.S. and Canada). They have increased representation for their agriculture line not by just adding dealers, but by adding locations. They are upgrading dealers to multiple locations, and cutting the ties with dealers that are not proving to be as successful with the line.

"The emphasis has been on focusing on the dealers who will grow with us," says Moncada. "The biggest priority we have had in the last few years has been restructuring our dealer network. We have gotten rid of dealers with small inventories in areas that don't have a lot of demand for the equipment, to focus on the areas of the country that have the large markets."

JCB has 225 locations with an average of 2-4 branches per dealer. JCB's goal is to have 95 dealers covering close to 90% of the market. Much of their focus has been on expanding in the Midwest. They are setting these dealers up differently from their construction equipment dealers, with an agriculture focus.

"The way we are developing those dealers is different than how we would a full-line construction dealer," explains Moncada. "They have different facilities and different customers."

# Valuing dealer partnerships

JCB wants to grow their agriculture sales, and as a privately owned company, are turning to independent dealers for help. They value the way independent companies like themselves operate, and think that is the key to their success in the agriculture market.

"We are a family business, one of the few and largest privately owned companies in the industry," says Moncada. "So a lot of our customers (dealers) are family owned businesses.

We aren't a faceless company and we like doing business with other family businesses that really provide that personal service as well."

JCB stands for Joseph Cyril Bamford, who started the business out of a shed in October 1945. Considering where they

came from, JCB knows you sometimes have to start small. They aren't looking for just huge dealers, but will take on smaller ones if they see potential in the relationship.

Individual attention is paid to each dealer by a special team working just with JCB agriculture products.

"We look at their history and how we can grow with them," says Moncada. "Yeah, multiple locations are a big plus, but at the end of the day what we look for is if we can grow together and if they practice the same principles we do as a family business."

JCB does not sell direct or through mass merchants. Their headquarters, a factory and three parts facilities are located in North America. They choose to work with independent dealers because of the way they do business and how that translates to a better experience for the end user.

"We are still one of the largest construction equipment manufacturers in the world, but when it comes down to it, we always look to that family business," says Moncada. "The ag customer is very particular. We don't want the dealer just because they are specialists in the product, but also in the customer."

# Working with dealers to succeed

Developing their dealer network is an ongoing process for JCB. After assisting dealers in expansion or addition of the product line, they receive continued support. Helping dealers to better sell and support the line helps to increase JCB agricultural product representation.

"There is still some room for growth within the U.S. and we are working to be sure we have 100% coverage in North America," says Moncada. "But the next step is really upgrading the existing dealers we have, their facilities, support and staff."

Individual attention is paid to each dealer by a special team working just with JCB agriculture products. They assist dealers in events and launching the new brand.

"The attention to detail in our dealer services is far greater because we have that enclosed group of people who we do business with. You are not just a number," says Moncada. "We do all of our marketing and accounting in-house, and all the departments work together."

At JCB, it is not uncommon for all staff members to be familiar with each individual dealer. They know their stories, as well as their needs and goals. The company makes it their

own goal to work together to benefit the dealers. While they have close ties with dealers and know them by name, a lot of end users are not as familiar with the JCB brand. JCB is working with their dealers this year to increase brand awareness.

"One of the hardest things we have to battle every day is

that people don't know who we are," says Moncada. "We have the product, service, support and are price competitive, but people still don't know who we are."

Instead of a large national

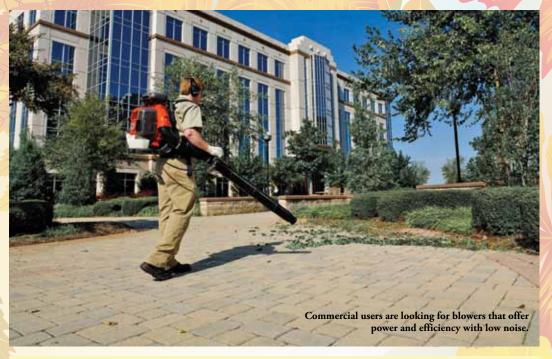
campaign, JCB is working with dealers to promote the brand at a local level. They are reaching their target demographic locally in consistent ad campaigns with each dealer. Dealers have individual ad campaigns and incentive plans.

"Once we achieve the amount of dealers we need, the next step is dealer development objectives," says Moncada. "We give them incentives for bettering themselves. Each has their own goals to meet by the end of the year. It helps promote the brand name and machines through our dealers." <



# **Dealers** Blown **Away** in 2012

The blower market will show strong sales in 2012, with the consumer segment making more purchases and commercial users considering new uses for the equipment.



he spring selling season was expected to be strong in many product categories. The blower category, including both handheld and backpack blowers, is expected to see a strong sales year in 2012 and experience growth.

In the most recent shipment data from OPEI, it shows handheld blower shipments to be up in 2012 for the first time in five years. The product category is expected to see even more of an increase in 2013.

The handheld blower segment growth will slow in coming years, as an increasing amount

of consumers are opting for electric-powered equipment. The longer life of the product, and the ease in which users can replace a unit's battery, will mean fewer unit replacements in the future.

Backpack blower shipments rose in 2011 to record levels. They are expected to do the same in 2012 and 2013 with continued growth in the professional-user market.

Growth in the product category can be attributed to pent-up demand and increased consumer spending. To further drive sales this year, dealers should appeal to the needs of the end-user and shed light on additional blower uses.

The early spring start has also helped. Early reports from some manufacturers support the positive expectations for the 2012 sales year.

"Backpack and handheld blowers vary when you look at year-to-date sales for just a couple months," explains Bob Stanley, product manager for Echo and Shindaiwa. "The backpack market is up 20% and the handheld market is up 15%. I attribute that to the early spring."

Stanley explains that when speaking in volume, handheld is outselling backpack three to one, indicating that the presence of consumer users is a bit stronger this year. It is likely that this relates to pent-up demand.

"I think there was some pent-up demand based on the drought in the South," explains Stanley. "Basically, folks are getting back into business. They are getting water and things are growing. The early spring has pushed demand a little bit more forward than it usually is. But still, those that didn't have any business at all last year are starting to see that shake loose."

Stihl is also expecting some growth in the blower market. "The overall market trend is favorable for growth," says Steve Meriam, manager of national sales and product development. "We anticipate single-digit growth for backpack and handheld blowers."

# Fall debris-handling requires power

The blower product category is seeing strong sales in the spring, but the big numbers typically come in the fall with the debris cleanup.



favoring more and more the tube throttle over the hip-located throttle.

"Generally speaking in regard to all handheld products, we see a continuous sales cycle during the year within the professional market, while homeowners buy more seasonally," says Jeff Dewosky, vice president of dealer sales for the Husqvarna Group, which includes Husqvarna and RedMax products. "We are in a seasonal business, so when spring and fall cleanup rolls around you can expect an uptick in sales."

As consumer customers loosen their purse strings, they are looking for powerful products that are easy to use. They want to be sure they are investing in a product that will be low-hassle with a high output.

"There are three things I see users making their buying decisions on: power, reliability and ease of starting," says Stanley. "Ease of starting is especially important for the consumer who is not as familiar with outdoor power equipment. They want to be able to go out there and not have to yank their arm off to start something."

Commercial users are looking for blowers that offer power and efficiency. They need products that work hard, but with low noise output as restrictions tighten.

"Customers are looking for blowing power, ease of use, and comfort when selecting a blower," says Dewosky. "We are very excited about the addition of the Husqvarna 580 BTS/BFS blower."

Speaking to operator comfort, Stanley says their commercial customers are favoring more and more the tube throttle over the hip-located throttle.

# New uses and new tools

After the initial push of blower sales in the spring and the resurgence in the fall, dealers need to find new ways to attract potential customers to the numerous possibilities for product applications and the versatile tools that have been introduced to the blower product category.

Dealers should market the multi-

# CONTRACTORS **RANK BLOWER BRANDS**

Brand favorability ratings were found through surveying readers of Green Industry PRO magazine, our sister publication that reaches landscape contractors.

· ·	
Stihl	76%
Echo	56%
RedMax	43%
Shindaiwa	30%
Husqvarna	21%
Kawasaki	19%
Maruyama	8%
Tanaka	8%
Dolmar	4%
efco	2%

Editor's note: Favorable opinion represents contractors who answered either "like them" or "they are the best" on the survey. Other options were "don't like them" and "no opinion".

use attachment systems to consumer customers and small contractors. Both Echo and Stihl offer a system with various attachments including a blower. Products such as these are becoming more popular.

"A significant growth for the Stihl KombiSystem is coming from the homeowner segment," says Meriam. "On the contractor side, small operations of one to two people do like the versatility of the Stihl KombiSystem."

While larger landscaper operations have dedicated tools for each task, Meriam suggests that a product with various attachments can be helpful to them as a backup unit in order to minimize downtime on the job.

In addition to products with multiple uses and attachments that include blowers, dealers should also tout the versatility of blowers themselves. "Blowers are one of the most versatile pieces of equipment a homeowner or professional can own," says Dewosky.

Dealers can sell a product's versatility

in applications to attract additional customers. There are many unknown blower uses that dealers can introduce them to.

"Dealers can sell blowers by showing the variety of possible applications," explains Stanley. "Many people only think to use them for accumulating and moving leaves, and cleaning grass clippings and debris of sidewalks. They are essentially useful for all the different times you need to move things with air."

Stanley says they have heard of some blowers being sold to stadiums or outdoor theatres for use in the cleanup of litter and garbage. Appealing to different applications is one of the ways they can keep blowers top of mind year round. <





# Halfway Point Check-In: Distributors Talk 2012 Sales

Distributors share how their dealers' sales are performing at the year's halfway point and share their own predictions for the year's end.

# **Kerry Malkerson**

**Marr Brothers** 

Territory: TX, LA, OK, AR, MS, NM

It's a little better than last year because we have had a little rain, but it's still not back to where it was before it stopped raining.

Dealers are not placing any inventory orders, but buying as they need it. I think they are at the end of their season now. With July, August and September dry and hot, there is not much going on.

Most our territory was dry in May which is pretty normal. We got rain in most our territory, even in the drought areas at the end of June, so the stores are busy.

# Glenn Beyerl

NY, New England

**KPM Exceptional, LLC** Territory: mid- VA, MD, DE, NJ, PA,

Our dealers report they are generally experiencing some nice retail sales increases in their spring business. Naturally, some dealers tend to run

of 2012 that lacked any significant snowfall. The fall business, primarily the debris business for us, can only be better than 2011. A hurricane (Irene) in August and a 15-inch snowfall in October really clobbered any hopes for a fall debris season last year.

# Stan Crader

**Crader Distributing Company and Blue Mountain Equipment** Territory: IL, MO, NE, KS, OK, TX

Sales to dealers and dealer's reported retail sales are well ahead of last year. The reason for this increase is both an early, warm spring and normal to above precipitation across most of the area. Most dealers have depleted their spring orders and are placing significant additional orders.

# "Unfortunately the hot, dry weather is beginning to slow business across the entire area. The year could be good if the weather cooperates. We certainly had a great start."

# Mark Deshetler Florida Outdoor

Territory: FL, GA

We were a little dry up until early June when we got a lot of rain. We had a great June. Our biggest retail months are June through September which is different than most areas. So if we continue to get rain, our dealers will have a good year. We've had second and third inventory orders but the sizeable ones just started in the last two weeks of June.

I think our dealers will have a good year. We've had strong retail finance programs all spring, along with sales on several high-volume items. We're going to continue to offer promotions during our busy summer selling season.

on a contrary cycle which is more closely tied to their customer patterns. Overall, the direction is quite positive.

Through late June, we at wholesale have experienced multiple reorders from our dealer network. We do find that the dealer network seems to be much more careful in their inventory management area. Despite terms that support strong stocking, they remain very careful, and we are in full support of dealers looking to manage their businesses prudently. Tight inventory management does not come without risk, however. That is, the risk of a lost sale from a backordered product.

With continuing moisture through summer, the spring-summer business should finish strong and can hopefully make up for a disappointing winter

# **Donald Johnson** Gardner Inc. Territory: IN, KY, WV

Most dealers in my area had a strong and often record-breaking March and April due to the early spring start. Wholegoods and parts have moved well, with several nice reorders.

Some dealers have suffered from lack of rainfall since early in the season, mainly in western Kentucky and southern Indiana. Things started leveling off by mid-June. Unfortunately the hot, dry weather is beginning to slow business across the entire area. The year could be good if the weather cooperates. We certainly had a great start. <

# **GE** Capital

# WE'RE NOT JUST BANKERS, WE'RE BUILDERS.

Every sale counts for your business. GE Capital's strong financing offers make it affordable for your customers. But the real difference is when our experienced underwriters take the time to work through your most difficult customer situations. For example, Sara, a GE Outdoor Power Senior Underwriter, brings 26 years of experience to help you close every sale possible. At PenTex Equipment, Chad Trueman relies on Sara to help build sales and his business every day. Stop just banking. And start building.







