

Contractor Success Guide



HOW THE PROS ARE DOING IT



A sampling of recent *Green Industry PRO* landscape company profiles highlights a variety of strategies and tactics you can likely put into practice in your own company.

- › Sales + Marketing
- › Driving Design/Build Business
- › Selling Staycations
- › Proposals
- › Business Growth ...and lots more! ▶

Building Company Value PAGE 14 | Top Financial Mistakes PAGE 19

Secrets To Raising Prices Without Scaring Customers Away PAGE 30

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A SUPPLEMENT TO
GREEN INDUSTRY
PRO
Business Strategies For Landscape Contractors

What is Your Unique Selling Proposition?



Dear Contractors,

To win in today's challenging economy you need to offer customers something unique, something that sets you apart from your competition. That something is your unique selling proposition. It is the thing that you offer that makes a customer want to choose you over everyone else in the market. For some contractors it is focusing on a select type of client, for others it is the types of projects or services they offer, one that has been emerging more visibly in recent years is environmental sustainability.

Landscaper, Zack Kline of A.I.R. Lawn Care in Maryland, bases his business model solely on running alternative-fueled equipment, like the 36-volt STIHL Battery KombiSystem. Kline's vision is to build a business based on sustainability. His unique selling proposition caught the attention of a number of people and, as a result, in 2012, he was awarded the first ever PLANET Trailblazer Champions mentorship scholarship sponsored by STIHL. The program pairs new up and coming landscapers with veteran landscapers designated as PLANET Trailblazers. Zack used his scholarship to meet with Dave Snodgrass of Dennis' 7 Dees Landscaping and Garden Centers in Oregon. You can read about this in the winter 2012 issue of *PLANET Advantage* magazine (<https://www.landcarenetwork.org/media/newsletters/advantage/PA12WI.pdf>).

Another company using sustainability to differentiate itself in the marketplace is Sebert Landscaping in Chicago, Ill. Recently recognized by the Professional Landcare Network with the 2012 PLANET Sustainable Company Award, Sebert boasts a LEED-certified building, uses a combination of battery-powered and low-emission gasoline-powered equipment, and markets their services directly to customers whose priority is environmental stewardship. You can read more about Sebert's in this issue (center-spread, pages 16-17).

Customers have no shortage of options when choosing a landscape professional and you need to stand out to get the business. If you have not already identified what differentiates you from your competition, dedicate some time to developing your uniqueness and craft the message to highlight it. You can look to the Professional Landcare Network's (PLANET) (www.landcarenetwork.org) as well as the *Contractor Success Guide*, to help you find more ways to make the most of your business.

Sincerely,

A handwritten signature in black ink that reads "John Keeler". The signature is fluid and cursive, with the first name being the most prominent.

John Keeler
National Training Manager
STIHL Inc.

ON THE COVER: WHAT THE PROS ARE DOING

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What the Pros Are Doing

A sampling of recent *Green Industry PRO* landscape company profiles highlights a variety of strategies and tactics you can likely put into practice in your own company.

Sales + Marketing

Traditional media has been a big part of the marketing effort at ACLS Inc. in Fresno, CA. A combination of TV and print was part of a campaign to push certain services.

“Traditional media marketing is very effective for tree care and water management,” says co-owner Tom De Lany. “It’s important to build awareness and be seen as the go-to company. This type of advertising also helps separate our company from the competition—especially all of the cash guys in the tree business.” ◀



Community coupons have helped some contractors bridge the demand gap for the past couple of years. “We’ve been aggressive with these,” says Craig den Hartog of Emerald Magic Lawn Care in Holtsville, NY. “We needed to tell the public that we were affordably priced. These types of promotions can open a lot of doors, but you also have to give up a large percentage of your sales. So be careful—you don’t want them to be your main driver of new sales.” You can consider using both online and print media, as den Hartog did.

“**Active sales**” has also been an increasingly significant driver of new sales for Emerald Magic. “We’ve been training our technicians to look for needs,” den Hartog explains. “When we do our property inspections, techs look for what could be better. They’re also empowered to let the client know. Finally, they’re empowered to strike up relationships with landscape contractors so we can get more subcontracting work.”

Special promotions. Fishing trips and golf outings are a favorite of den Hartog’s. Giveaways are another. For



instance, consumers could enter to win a free trip to Ireland. Another promotion invited consumers to enter an “Extreme Lawn Makeover” contest where Emerald Magic would provide a complete lawn restoration valued at \$600. Aside from the obvious publicity these campaigns generated, there was an added bonus: collecting names for future direct marketing efforts.

Working around tight customer budgets. Many of den Hartog’s clients had to cut back on services a few years ago for budgetary reasons. “We came up with an ‘Essential’ program that helped us save several accounts,” he relates. “We’ve even offered a ‘recessionary discount’ in some instances.” Now that the economic situation is improving, den Hartog says many customers are returning to normal service and/or pricing levels. ◀

Direct mail. Procare Landscape Management in Byron Center, MI, had typically sent out a single mailer in early spring. But they decided to see how a series of mailings would work. The target was \$200,000-plus homes with \$100,000-plus household incomes. The first mailing went to a broader list of 40,000 homes. The second batch went to a more geographically targeted list of 12,000 homes.

The company used the mailings to push not just its lawn care services, but the fact that it is a full-service, five-division company that can do just about anything a homeowner wants

done. “This is the first time we really honed in on this higher-income customer,” says Dirk Bakhuyzen III. “We did so because we really want to sell the full-service package.”

Trade shows. Another new marketing tactic was displaying at a local home and garden show. Procare received a lot of construction leads, and surprisingly also gathered quite a few maintenance leads. According to Bakhuyzen, the key to having a successful show is making sure that the right people are in your booth. “You can always do a big giveaway to generate traffic to your booth, but then

you’re usually left with a bunch of bad leads. What you really want is to have your best people in your booth so they can ask good questions and qualify the leads you get.” ◀



From left: Kyle Bakhuyzen, Dirk Bakhuyzen Jr. and Dirk Bakhuyzen III.

Personalized messages. Tim Twomey, co-owner of Ground Hog Landscape Management in Mandeville, LA, says that, going forward, he sees an opportunity to better personalize direct marketing efforts in order to stand out and make more of a connection with customers.

He’s exploring the use of something called “personalized URLs” (PURLs) which place a customer’s name in a specially created URL, such as ground-

hoglandscaping.net/JohnDoe, for example. He’s also contemplating the inclusion of USB flash drives in direct mailings. The flash drives could include personalized videos, images and other multi-media.

“All of this starts with knowing who your target customer is, and who your top customers and prospects are,” Twomey reminds. “We are primarily focusing on our top 100 list right now.”

Value-menu maintenance packages. Also in the way of “personalizing” his offering, Twomey has developed three levels of maintenance services to give homeowners options and make them feel like they are more in control of their purchase.

Hog Chops – basic level of service that includes mowing, trimming, edging and cleanup.

Hog Wild – bed-centric service that focuses on keeping beds clean and bursting with color (weeding, pruning, fertilizing, etc.).

Hog Heaven – premium level of service that includes everything mentioned in the first two levels, in addition to irrigation monitoring, seasonal color, mulch, insect and disease control, and tree and shrub fertilization. ◀



Tim Twomey and Dalton Fetters, co-owners of Ground Hog Landscape Management.

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Driving Design/Build Business

Keep networking. To drum up interest and generate residential design/build leads, Craig Kopfmann of Green Acres Landscape & Design in Monroe, CT, has spent a lot of time networking. “I try to stay in touch with my professional contacts and develop ways to help them,” Kopfmann relates. “This is challenging, but has to be a two-way street—otherwise the referral stream will dry prematurely.”



Identify your targets. In Derby, KS, Kevin Payne of TenderCare Lawn & Landscape has focused primarily on three areas: people who’d purchased a home fairly recently, empty nesters, and homeowners he’d submitted bids to before the market went south.

“Things got pretty bad around here in late-2009,” Payne recalls. “So we’d created flyers telling people to invest in their homes and landscapes because doing so will help their home value come back faster when the economy improves. That worked pretty well. Now we’re focusing on empty nesters who



have some disposable cash because they started sitting on it when stocks went bad.”

Resurrect older leads. TenderCare is also focusing on bids they did in 2009 before consumers pulled back. Letters are sent to these prospects saying, “We still care and wonder if there’s anything we can do for you.” Payne explains, “People want more attention these days, not just a bid slipped under the door.”

Sell your credentials. In 2010 Mike McShane of Plantique Inc. in Allentown, PA, geared his company’s marketing campaign around the concept of “Renew, Refresh, Revive, Re-imagine and Re-think.” The premise was to encourage homeowners to enhance their existing landscapes with subtle changes. But more recently

McShane began focusing on his company’s competitive advantages, i.e. designs, 63 years in business, warranty and in-house nursery.

“We need to convey this message to the marketplace and generate sales by explaining the Plantique difference,” McShane says. “We see opportunities out there, and our sales staff needs to extend this conversation with potential clients, listen to them, work within their budgets, and start the process.” ◀



Selling Staycations

The concept of the “outdoor living space” has maintained its popularity over the past few years. Some contractors refer to them as “staycations”—helping to influence the way some consumers view this investment.

“We’re telling customers that instead of spending \$7,000 or \$8,000 to go to Florida for a week, why not spend it in your backyard where you can use it every day,” says Ben Pamplin of Heart of Texas Landscape & Irrigation in Belton, TX. “Plus, it’s an investment in your home.”



Getting the word out. Heart of Texas kicked off its “staycation” initiative at its biggest public showing of the year, a local home and garden show in late-February. In addition to the impressive display and face-to-face interaction, a four-page brochure was created to assist in the educational effort. Heart of Texas also launched a more organized online marketing campaign that aims to capitalize on popular keywords consumers are searching for, such as “outdoor living area”.

Providing options is important when looking to close the deal. Heart of Texas is working on a four-option outdoor living program. For example, the first option might include a seating area with fireplace while

the fourth option could be a full-blown kitchen. In between there are amenities such as water features and paver patios which the consumer can choose. Computer-rendered designs allow consumers to see the project come to life in their own backyard, helping to further stimulate their senses.

Heart of Texas has shifted its focus from homebuilders to existing homeowners. “We want to go after that person who already owns a home and is looking for an add-on,” Pamplin says. “The biggest add-on in landscaping right now is extending your living space into your backyard.”

Enhancing existing landscapes. In Kansas, Kevin Payne says homeowners have been looking for things like fire pits and pondless water features. In Pennsylvania, Mike McShane agrees, adding that homeowners have been looking to extend their existing landscaped areas. “They are looking for additional

garden areas, and are adding fire pits and outdoor kitchen areas. The in-ground pool market has actually ticked up slightly for us, too. Additionally, privacy plantings and berms, along with masonry stone walls, make a big impact to existing areas.”

Function also motivates. For some landscape contractors, homeowners that are looking for pure function have created another opportunity. “They’re not so much saying, ‘Ooh I want this fire pit,’ but are looking to extend their living space

or maybe save water,” says Rob Diaz of Land Care in Las Vegas. “People who’ve decided to say in their homes are trying to live within their means and create an environment they can stay with.”

In Connecticut, Craig Kopfmann says homeowners are looking for creative solutions to improve their properties and enhance their day-to-day lives. Masonry projects over plantings emerged as a trend when consumers really started showing an interest in entertaining spaces and family-friendly patios. ◀



Photo of an outdoor kitchen in progress by Outdoor Expressions in Billings, MT.

Proposals

Ben Collinsworth of Texas-based Native Land Design discusses how to create more effective proposals and business presentations.

Understand that every property is different. When Native Land Design has the opportunity to bid on a large project, Collinsworth likes to

visit the site with his company’s vice president and principal. “After we drive the site, we sit in the back of our truck and put a game plan together that will really give the property what it needs, not just what the client asked for in the RFP,” Collinsworth relates.

This is standard on larger sites, but isn’t the case on smaller projects. “I don’t bid any of the smaller projects,” Collinsworth adds. “We follow this approach on large HOA



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Proposals continued from page 7

projects that will encompass a lot of the company resources—because all of our larger sites have different needs and clients with different expectations. It is a custom maintenance approach rather than the out-of-the-box standard equation that many companies use.”

Show you’ve done your homework. Spend more time talking about the property and less time talking about your company. “The client doesn’t need to hear us go on and on about how great we are,” Collinsworth says. “They have already prequalified us or we wouldn’t be in that presentation room. What matters now is how we are going to treat them as a client, and how we are going to meet their expectations on the property.”

Show your commitment. Native Land Design likes to send in upper management for presentations, and doesn’t rely on a salesperson to make promises to a client just to sell a job. Collinsworth personally likes to participate whenever possible. “It’s important that the person who is going to be held accountable for the results be a part of the presentation. Prospective clients can see through slick sales presentations, not to mention over-promising on your abilities. In my opinion, clients just want someone to shoot them straight—and know their job and do what they say.” ◀

Show ROI. “We go into client presentations with graphs showing how we’ve helped other clients save 80% on their outside water usage,” says Tom De Lany, co-owner and CEO of ACLS Inc. in Fresno, CA. “When we show this data, prospects look on in amazement. They don’t get this from the average mowing contractor.”

Visit greenindustrypros.com/10731726 to learn about De Lany’s Aqua Cents invention. ◀

Business Growth

Expanding into big commercial. A few years ago, the market began taking The Yard Barbour’s of Elizabethtown, IN, toward industrial complex maintenance. Taking care of these bigger commercial properties was going to take a whole new level of commitment.

“Getting to the next level always entails money,” says founder and co-owner Paul Barbour. “One February we sat down as a family to figure out how we could afford to invest in some newer, bigger equipment. We decided to offer a pay-in-advance discount to certain clients, and used some of that money to buy the equipment we needed to take on the new accounts.”

Retaining existing accounts. Expansion aside, growth is made a lot easier if you have a strong track record of retaining accounts. The Yard Barbour’s does—and prompt client care is a big reason why. One of The Yard Barbour’s five co-owners, together with the crew leader, walk through a project with the customer before that project begins, and then follows up regularly with the customer throughout the project. In addition, at least two meetings

typically take place between the customer and one of the owners.

Accessibility is very important. “Giving clients a cell phone number to call has a tremendous effect,” Nancy Barbour says. “We give our clients a number for both Paul (her husband) and Matt (son). There have been times where Matt is on the phone at 11:30 p.m. talking about irrigation.”

It’s still a people business. TLC - The Landscape Company in Mesa, AZ, has come a long way since its founding in 1998. Owner David Spector hasn’t forgotten those early years—because those early years are what has made TLC the company it is today.

“We still have the first truck we ever drove,” Spector relates. “The truck just sits out back at our shop now, but it’s a reminder of where we came from.”

The real secret to TLC’s success is described by Spector as “feet on the ground.” “Face-to-face client interaction is as important as it was 12 years ago” Spector says. Both he and son Louis spend a lot of time in the field meeting with property managers and attending association meetings. Plus, TLC has specialists on call 24 hours a

day to jump on any emergency a client may have.

To attract quality personnel, TLC offers health insurance, along with paid vacation, holidays and personal days. To encourage good attendance, TLC

will pay back unused personal days—unless the employee uses three or more.

Bonuses are also part of an employee's compensation package. The company sets a goal for net profit. If the goal is met

at the end of the year, certain modifiers kick in, such as safety and client retention. A certain percentage of the net profit is placed in a pool, and is allocated to employees based on the modifiers and seniority. ◀

Branching Into Tree Care

Make it a focal point. TLC had been offering basic tree care services to existing clients for many years. But TLC decided to establish a full-blown tree division when the recession forced management to put more emphasis on diversification.

“We bought a Toyota Hino dump truck, which we had customized to meet the needs of our tree care division,” Spector says. “The truck was purchased as a cab and chassis only. We had the frame cut and the box custom built. We do all of our trees by climbing and rigging. We need lots of gear to support this type of working style. So our truck has lots of boxes, holders, doors and drawers, and even a slide-out work table used for field dressing chains and cleaning air filters.” TLC already owned Stihl chainsaws and a Vermeer chipper.

TLC also created marketing materials and added an “arbor division” section to its website. No longer would tree care services only be provided upon existing customer request.

Tap existing talent. Louis Spector, the company's operations manager, then asked existing employees for volunteers to move over to the tree division.

After tryouts and training, they were off and running.

Hire experts. Soon a key staff addition was made—even though it wasn't in the Sectors' original plans for this new division. “Our tree crew was out working one day when a guy pulled up in a pickup,” Spector recalls. “He walked up and asked if we were hiring. I said, ‘No, not really.’ The guy asked if he could grab his tools out of his truck and show us how it's done. Turns out that he was an ISA-certified climber. I said, ‘On second thought, we're hiring.’”

Do something unique. Inventorying and tracking is a primary tool of TLC's tree care management program. “We document the location with our GPS (Global Positioning System), so species and other relevant information of each tree is tracked,” Spector says. “We can also tag the trees so that each is specifically identi-



fied for ease of verification and tracking both in the office and in the field. The data is added to a database and plotted using sophisticated GIS (Geographic Information System) software that can layer information on top of an aerial photograph or other community maps. The data can be filtered in any number of ways to show individual species of tree, storm damaged trees, trees near home, etc.” This system also works well for all assets on the property that benefit from a mapping and tracking system.

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Branching Into Tree Care continued from page 9

Battling EAB. Increased public awareness of Emerald Ash Borer is helping to further fuel tree care demand in Chicagoland. Thus, the tree division of Turf Care Enterprises has begun to grow faster than its lawn care division.

Roughly four years ago is when Turf Care Enterprises started to explore the use of a new product called TREE-äge

(by Arborjet). The company had heard about it at trade shows and conferences, but initially didn't think it would do much beyond what its existing tree-injection treatments were already doing. That opinion changed when one of the company's managers attended a University of Michigan researcher's seminar.

The presenter said the con-

trol rate was 99% on every single tree the university had tested. So Turf Care Enterprises contacted one of its distributors to see if it could get the product from them. After trying out a test kit for a while, Turf Care was more than pleased with the results. The company has found that TREE-äge is an environmentally safe product that provides exceptional control. ◀

Operations + Productivity

Getting the most from your mower. Chris Shipp (pictured below) of Shipp Shape Lawn Services in Sylvester, GA, says the mowing business is very competitive in his area. Using the right equipment has helped maintain his competitive edge.

"We've been using Grasshopper diesels (riding mowers) since 1994," Shipp explains. "The diesels are great for fuel economy, which helps our profitability. In fact, we use less than half the fuel with diesel engines than we would with gasoline engines, saving us around \$13,000 a year. Needless to say, this really helps the bottom line, as does a diesel

engine's longevity, which means we don't have to purchase mowers so often."

Matching equipment to application has also been helpful, Shipp adds. "A rotary broom has proven extremely useful for clearing long stretches of sidewalk after we mow and edge. Crews mow along miles of sidewalks for the city, and they previously used backpack blowers to clean them. Now they use a rotary broom, which we have found to be three times more efficient."

Propane mowers can save big money. ACLS in Fresno, CA, has adopted the use of

propane-powered mowers. They worked with a company called Metro Lawn to convert their gas-powered mowers. Another company called Heritage Propane helps manage the refueling program.

Each conversion kit was about \$800, and required an additional six to eight hours of technician time in order to install the kit and fabricate brackets to hold the propane tanks in place.

The total cost to convert 11 mowers was more than \$10,000. However, ACLS was able to take advantage of a rebate from the Western States Propane Council worth 20% of the cost of each conversion kit. More importantly, the potential cost savings over time has management excited.

The company expects to save at least \$100,000 over a five-year period. Much of that has to do with the simple cost of fuel, since propane is generally 30% lower than gasoline. Then you can factor in things like reduced oil consumption and longer engine life—not to mention the money you pay a



technician or servicing dealer to maintain your mowers (since maintenance requirements will likely be reduced if you're burning propane fuel).

ACLS has also found that propane-powered mowers don't lack performance. The power is still there and no more fuel is burned to do the same amount of work. ◀



ACLS in Fresno, CA, has adopted the use of propane-powered mowers.

Company Morale

100% accountability.

Located in Sebastopol, CA, one of Pacific Landscapes' six founding principles—100% accountability—has had a big impact on the owners' ability to create a great place to work. As one employee stated: "I feel a spirit of cooperation that I don't think I've come across until

working here. It is open minded, open communication. There is a team-oriented approach to solving problems."

What is 100% accountability? "If you have a problem, you fix it as soon as humanly possible," explains co-owner Dave Penry. For example, if an employee picked up his paycheck and

there's an error, you fix it that afternoon rather than make him wait three days. If a customer calls with a problem at 3:30 p.m., make a call to a crew and try to resolve it right away, or at the very least first thing the next morning. "We'll send a tech out at midnight if there's a stuck irrigation valve or something like that," adds Darryl Orr, who is Penry's partner.

"Now, 100% accountability isn't always comfortable for employees," Penry points out. "So we try to avoid saying things like 'you are wrong' or 'you are at fault.' Those are negative and attack the individual too much on a personal level. We like to use the term 'responsibility,' and it's our responsibility as the employer to help each of our employees meet *their* responsibilities." ◀



Partners Darryl Orr (left) and Dave Penry.

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Sustainability

Get the word out. Burt DeMarche, president of The LaurelRock Company in Wilton, CT, hired a PR team in 2009 to help the company conceive and launch an ambitious educational event series for residential architects, positioning the company as a reliable and knowledgeable resource and trade partner for area sustainable design/build projects.

Featuring green building experts across a multitude of disciplines, along with cutting-edge technologies, the seminars sought to inspire, inform and empower the area's home design and build trades to work together to guide homeowners down the path of sustainability.

DeMarche explains, "Over the course of 12 months, we conducted two breakfast seminars on sustainable design for the benefit of residential architects. These were held from 8 to 10:30 a.m., with each featuring a panel of expert speakers. Among topics were ways to help communities adopt eco-friendly regulations, home energy efficiency, how to create interdisciplinary sustainable design teams, geo-thermal applications for residential use, and site planning techniques to make



Burt (left) and Dickson DeMarche (Photo by Peggy Garbus Photography, peggygarbus.com)



The LaurelRock Company has lent its design, build and maintenance expertise to more than 1,000 of its area's most stunning residential properties. (Photo by Peggy Garbus Photography, peggygarbus.com)

best use of Mother Nature's natural systems. Both events attracted more than 20 architects, most of whom wanted further seminars."

Refine your service offering. During the same timeframe, LaurelRock was powering-up its sustainable service offering. It hired a Master Gardener to work with customers already interested in "organic" maintenance practices. DeMarche became a LEED Accredited Professional (AP), and soon began to leverage his newfound knowledge by partnering with other landscape architects and developers who helped him get on the ground floor with new design/build projects. His company has since installed a rain garden and roof garden.

On the maintenance side, many of LaurelRock's

customers already request some level of organic lawn care. The company offers two organic lawn care programs. One fully organic program includes spring and fall aerating, seeding, fertilizing and topdressing with compost. The other, a transitional program, which includes only the fall regimen, is less costly. Both programs include the use of organic controls and IPM practices throughout the year, along with keeping the grass cut higher, spot treatment for weeds, soil testing, and an application of lime in the fall.

"The organic service is more expensive than our regular lawn care service, but our goal by 2015 is to make it so affordable and effective that customers will have no reason to opt out of it," DeMarche relates. "Every year we learn more, and there are always new products coming out on the market. For example, we once found a mulch blower at GIE+EXPO in Louisville that takes the work and time out of topdressing lawns." ◀

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Contractor Success Guide

GREEN INDUSTRY

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Business Strategies For Landscape Contractors

Secrets to Building a More Valuable Landscape Company



Whether looking to sell out or not, company owners should be focusing on these things that make their companies stronger, more competitive and more valuable.

The level of company mergers and acquisitions in the industry accelerated over the past few years. Some landscape company owners saw the writing on the wall and wanted out. Others simply saw an opportunity to go forward in a more competitive way by joining forces with another company.

Whatever the case, just about every company owner has got to wondering: How much is my company worth, and what can I do to make it worth even more? Here are some insights into those two questions.

Common methods of business valuation and what you can do about them

There are several ways to determine a company's value. Some suggest calculating a multiple of gross profit, perhaps 1.2. Others suggest taking a per-

centage of total sales, perhaps 60% for maintenance and 30% for installation.

Probably the most common method is taking a multiple of EBITDA (earnings before interest, taxes, depreciation and amortization). EBITDA is supposed to pinpoint a company's operational profitability, i.e. cash flow and ability to pay back debts. Some Green Industry consultants say a company value of four to six times EBITDA is routine.

There are problems with EBITDA, though. A big one is that it doesn't consider equipment (depreciation). If you have a fleet of outdated equipment that will need to be replaced, your EBITDA might need to be adjusted down. Also, if you have high interest payments because you'd borrowed a bunch of money to acquire other companies in order to grow, your EBITDA may also be

higher than your company is really worth to a prospective buyer.

There are many variables that come into play, many of which have to get ironed out at the negotiating table. The best thing for the average company owner to do is focus on the actions he can take to not only improve his company's EBITDA, but also improve his company as a whole. For example:

- Improve gross margin by becoming more operationally efficient
- Improve gross margin by buying smarter and managing inventories better
- Diligently manage receivables and try to keep to within 30 days.

11 Company Value-Adders

- > Track record of sales growth
- > Solid profitability, cash flow
- > Ability to retire debt
- > Ability to grow market share
- > Diverse book of business
- > Recurring revenue streams
- > Well-managed receivables
- > Meaningful competitive advantages
- > Strong brand
- > Strong management team
- > Ability to cost-effectively acquire new customers

- Carefully plan investments so each aids in cash flow by helping bring in revenue and/or improve margins.

Get sales growing

About the best thing you can do to add value to your company is grow sales. It's true that a prospective buyer will want to evaluate your company's potential. But past and current performance are of equal importance. Thus, you should always be striving to grow sales year over year so you can show a positive trend line.

You can implement any of the following sales-growth strategies, which happen to take advantage of your existing capabilities:

- Simply sell more of existing products/services to existing markets through a more effective sales effort. To accomplish this you need a well thought-out marketing strategy that's in alignment with a well-executed—and managed—sales process.
- Launch new products/services for existing markets.
- Penetrate adjacent markets with existing products/services.

Be cautious about launching new products/services in new markets, though. This approach can be very costly and risky. It can be done, but requires very careful business planning and flawless execution.

Diversify your revenue streams

Companies are generally viewed as more valuable if they do not have too many eggs in one basket. The more spread out your revenue is, the more capable

you are of reacting to different changes in the business environment.

For example, it's considered risky when three or four clients account for a third or more of your sales. If you lose one of those accounts or even experience a substantial pullback, you could be in trouble.

It could also be viewed as risky when you are too reliant on one market segment. For example, if you're 80% residential, what happens if outside forces cause a dramatic reduction in consumer spending on landscaping and lawn care services?

It could also be viewed as risky if you're too reliant on a given service. Landscape installation contractors learned that lesson all too well a few years ago. Even maintenance contractors learned this first-hand during last summer's drought. When the grass stops growing, you stop mowing—so you better have something else to offer, whether it's tree trimming or aerating or whatever you can think of.

Recurring revenue streams also help to make a company more valuable. For a landscape contractor, we're largely talking about maintenance services: mowing, tree trimming, snow removal, lawn care, irrigation system checks/upgrades, etc. Since 2008 many landscape contractors have rebalanced their service mix so that least half of revenue is coming from maintenance-related services.

Multi-year service contracts and multi-phase construction projects that extend over a longer period of time can also be



useful. Again, this helps take some of the risk out of a business because revenue is coming in continually over a period of time.

Other 'intangibles'

There are a lot of things that add value to your company that are more difficult to measure than EBITDA, sales growth, profit margin or number of customers. Still, they are very important and require the diligent attention of the company owner.

One is your management team. Skilled, trained leaders in your company make your company more valuable—period.

Your company's brand strength is also important. It means a lot if you've been around a while and have a good reputation.

Your company becomes more valuable when it possesses unique competitive advantages which the customer greatly values. This might be the ability to provide multiple services. It could also be something as simple as the way you communicate with customers and respond to questions or issues. The point is that you don't want to merely look and act just like all of your competitors. That's not valuable, that's a commodity. ◀

Support from STIHL Helps Sebert Landscaping Meet Sustainability Goals



Dependable Products and People Help Keep Crews Running

For Sebert Landscaping in Chicago, customer service is key. As an active member of the Professional Landcare Network (PLANET), they strive to ensure that each and every one of the properties they maintain is not only completed to the highest landscaping standards, but that every detail of their operation also meets the highest quality, even down to the equipment their crews use day to day.

Listening to Key Customers

When their customers began requesting more sustainability-minded equipment and environmentally responsible landscaping methods, Sebert Landscaping paid attention. They began moving their crews toward the use of sustainable equipment and set an ultimate goal of having one crew use only equipment considered environmentally friendly. Helping Sebert achieve this admirable goal is STIHL Inc.

“Our clients, especially the healthcare properties we help maintain, began asking if we could use more environmentally friendly products,” said Ralph Meyer, fleet manager for Sebert Landscaping. For this reason, in addition to the gasoline-powered STIHL equipment that Sebert Landscaping used previously, they also began incorporating string trimmers, hedge trimmers and handheld blowers from the STIHL Battery KombiSystem



Sebert's clients, specifically healthcare properties, have been requesting they use more environmentally sustainable products.

line, all of which operate on 36-volt lithium-ion battery power, with the added bonuses of the batteries being interchangeable and a product that is noticeably quieter than their gasoline-powered counterparts.

Keeping the Work Running Smoothly

Sustainability and efficiency are at the core of the work Sebert Landscaping does – they've even built a solar powered trailer for their equipment. With five locations across the Chicagoland area, including the recently completed construction of a LEED certified building, Sebert Landscaping is able to care for more than 1,300 commercial properties around the region, including office buildings, healthcare facilities and apartment complexes.

Congratulations to Sebert Landscaping for winning the 2012 PLANET Sustainable Company Award in recognition of their environmental vision, sustainability and improvement.

Sebert built a custom solar-powered trailer to house and transport their STIHL Lithium-Ion products.*

To do so, they have more than 70 crews comprised of 50 full-time employees and 300 seasonal employees who run more than 250 STIHL products throughout the year.

“This is our third year running STIHL products, and they are very dependable. That’s what has impressed me most. They stand up to use, abuse and neglect,” said Meyer. “With as many crews as we have working in the field, any time the equipment is down for repair, it affects our efficiency. Dependable products like STIHL help keep us as productive as possible, which we believe saves us both time and money and makes us more profitable as well.”

STIHL Support

An added bonus for Sebert is the support they receive from their STIHL network. “Most companies do not have folks who are as consistently available as our team from STIHL. If I need support from Ian Hunt, our technical sales specialist, or Tim Callahan, the local territory manager, they’ll be here inside of a week; and I always get a return phone call the very same business day,” said Meyer. “We maintain our own equipment and take advantage of all warranty repairs through our excellent dealer, Russo’s Power Equipment. Ian will even make special stops to help train our in-house technicians on some of the very specific product training.”

For Meyer, this tie between dependable products and dependable support makes STIHL a sound choice to help keep all aspects of their business running smoothly.

*Always refer to the product instruction manual for guidance and restrictions on battery storage and re-charging.



STIHL
Battery
KOMBI SYSTEM



Battery Kombi Platform

Scan this with your smartphone or text “**battery**” to **78445** to see a video about STIHL’s full line of battery-powered products and learn more about what STIHL Lithium-ion power can do for you.



› To inquire, visit greenindustrypros.com/10155925

STIHL®

How To Build a Diversified Portfolio

It starts with understanding your market and ends with a deliberate marketing effort.

One of the most important factors in growing a healthy, stable business is minimizing your vulnerabilities. Yes, that can certainly encompass many areas and many specific things. But the common denominator among the most successful commercial lawn maintenance contractors is their portfolios, which is why they try to protect their “book of business” more than anything else. The single most effective way to do that is to make sure you have what we call a “diversified portfolio.”

Building a diversified portfolio of clients means that you are not too heavily weighted in any one sector or market segment. For example, if you care for 30 commercial properties, 20 of which are apartment complexes, you are not very diversified. In addition, you would be vulnerable to outside forces, some of which you might have absolutely no control over.

For instance, if property taxes start to skyrocket, or the

Federal Government decides to raise capital gains taxes and/or eliminate many of the tax incentives for owning rental properties, guess what? Construction of new apartment buildings will likely slow, and owners of existing buildings could stop investing in capital improvements, or maybe even dump their buildings altogether.

Roughly 66% of your business is now in severe jeopardy.

Things like this can happen in any market segment—even in a good economy.

So what should you do about it?

Start developing your well-balanced portfolio by conducting a comprehensive market study of your area. Break your market into five primary categories:

- Commercial
- Industrial
- Multi-family (apartments, condos, etc.)
- Retail
- Office/Corporate

Use the phone book and internet search engines to find

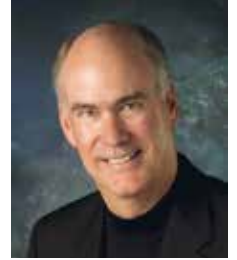


businesses in your area that fall into one of these five categories. Then you can begin the process of quantifying how many commercial properties there are in your area—by category. Work hard at marketing your services to the segments you feel you can grow in.

After you’ve banged out this comprehensive market study and initiated a marketing/sales effort, you’ll be well on your way to developing a more diversified portfolio that lessens your vulnerability.

It will be nearly impossible to come up with 100% precise data. But you can take this common-sense approach to establish some core, fundamental numbers that will get you off to a good start. ◀

Where Owners Go Wrong When it Comes to Financials



Frank Ross

With roughly 40 years of hands-on experience with hundreds of the most successful companies in the industry, Frank Ross has unparalleled knowledge of what Green Industry firms do to become profitable.

A while back we spoke with Frank about where he thinks the average landscape company owner goes wrong when it comes to financials. You can hear that interview by visiting greenindustrypros.com/10658213. Here are highlights from the interview.

Lack of educational experience

Many landscape contractors were once taught how to perform various landscaping tasks. Some were taught certain business-related activities, such as how to sell work and manage employees. But the average landscape contractor was never taught financial management.

By utilizing a unique training methodology known as A Better Way 2 Learn, Frank Ross can be present at all of your company's financial meetings—for a fraction of the investment. Visit abetterway2learn.com/pro to learn more and to sign up for a no-risk trial offer.

Most contractors have learned financial management through the school of hard knocks.

Because contractors haven't had that formal financial management training, they "go with their gut" come decision-making time. "The good news is that landscape contractors are a pretty intuitive, common-sensical group of people," Frank says. "They've already been able to magnify the sales part of their business, along with the leadership part and technology part. For many, that's been OK; they've been able to make some money and have some success."

However, company owners have to think about it this way, Frank points out: "If they had had the benefit of previous financial management training—as a tool to help make better decisions over the years—think about the incredible increase in profitability that would have brought to them."

Taking the first steps

Some contractors are intimidated by financial management. That's why it's important to understand that you do not need to become an accountant in order to become a good financial manager in your landscaping company, according to Frank.

Start asking questions.

Company owners should become as inquisitive as they've ever been. "Start asking financially driven questions of your accountant and other business advisors," Frank suggests.

Read. Find a book or two about financial management specifically for service industries. "You should also continue to be an avid reader of magazines like this one," Frank says.

Seminars. Identify conferences you can go to that are putting on seminars about financial management. PLANET's Green Industry Conference held every October in Louisville, KY, is a great example. Your state industry association(s) will likely put on conferences of their own, as well. Some of your suppliers might even hold training events of this nature. Just keep your eyes peeled for different opportunities throughout the year. Ask your vendors and peers if they know about any great seminars and events.

Seek industry-specific training. "There are training materials out there that can help focus the learning process for (business owners) who've simply never experienced (financial management training)," Frank point out. ◀

Tips on Measuring Vendor Performance

Your gut can tell you if a given vendor is treating you right, but a formal process to measure vendor performance is the only way to know for sure. But just remember: It's a two-way partnership.

If you are like most landscape contractors, you purchase a variety of lawn care products and equipment from a variety of vendors. While it makes good business sense to procure from a limited set of vendors, it's not always possible. Even small lawn maintenance-only companies often have to buy equipment and parts from at least a couple of dealerships.

What is possible is making sure that each of your vendors is doing a good job for you. That does not mean you've played softball with the owner for 20 years. Nor does it mean the sales rep slashes prices to "steal" your business from other dealerships; think about how disgusted you get when your competitors do that to you.

What it means is that a given vendor works *with* you as your *partner*. Prices are fair for the value you receive. Service is reliable. Empathy is genuine and consistent. In a nutshell: You are working together so that both of your businesses can prosper.

Here are some things to think about and measure in order to ensure that you are maximizing the business potential of your vendor relationships.

Define and evaluate what matters most

If you want to buy a new riding mower, for example, you have an idea of the horsepower, cut width and engine type/brand you're looking for. You should also have an idea as to what you're looking for in a vendor. Characteristics might include:

- Size of company and/or number of locations
- Years in business
- Number of servicing technicians
- Service technician training, certifications, etc.
- Service turnaround
- Breadth of product lines and availability
- Parts inventory and availability
- Ability to order online
- Access to key representatives when you have questions or concerns

The point is that you identify those traits which make a vendor partner valuable to you. Put

them in a list and evaluate each of your vendors on a continual basis, perhaps quarterly but at least yearly.

You can evaluate vendors via several different methods. A simple way to do it is to merely assign "poor, adequate or good" ratings to each of the key traits you outlined. Sounds crude, but it's effective. It forces you to remain focused on the key areas of vendor performance.

Some of the performance traits can actually have a precise piece of data assigned to them. For instance, if a vendor normally delivers same-day service on your equipment, you could assign a "1" to that trait. If the dealership's service department is EETC-certified and STIHL Gold-certified, you can note that.

Some performance characteristics will require "yes" or "no" notations. Others, such as parts inventory and availability, might require the "poor, adequate or good" ratings. You'll rely on your own personal experiences and instincts here to form a judgment. Also remember that you can invite input from other members of your staff if they might have some insight to share.



A true vendor “partner” will want to get to know more about you and your business goals.

Recognize that not all vendors are created equal—and that your requirements of them are not all equal, either. In other words, you have different needs when it comes to your fertilizer supplier as compared to your mower dealer, for instance. Then, you might even have different needs when it comes to your mower dealer as compared to your skid-steer loader dealer.

It's not a bad idea to separate your vendors into groupings; lawn maintenance equipment, construction equipment, lawn care consumables (i.e. fertilizer, seed, herbicide) plant materials, hardscape materials, etc. After all, each type of vendor will likely have a different set of performance characteristics you're looking for.

If a vendor is doing a great job in helping you to manage and grow your business, that vendor doesn't deserve to get bludgeoned to death on price.

Look for the things that “add value”

Each vendor will likely bring their own version of “value added” to the table, as well. By value added we mean those “little extras” that go beyond the standard but don't really add cost to the product or service.

At the same time, it could also be the case that a dealer does offer something extra, but you have to pay for it—but it is so valuable to you that you have no problem paying for it. Regardless, it's important to recognize what your vendors are and are not doing to help you run your business.

Here's a list of things which leading commercial dealers are doing to make their contractor customers' lives easier.

Understand your business.

Vendors will become more of a resource for you when they take steps to better understand your business. This means they will take the time to get to know you better and learn what your business goals are.

Vendors should also become involved in the industry. This could include state, regional and national equipment dealer associations, along with various manufacturers' dealer boards. But it also includes state landscape associations, and even national associations like PLANET. Dealers who want to better understand your business will want to better understand the landscape industry in general.

Proactively present solutions. Along with your business goals, product preferences and other needs, vendors should keep track of your purchasing and service history, preferably storing the information in some kind of database. They'll periodically tap into this information in order to present solutions to you.

continued on page 22 ▶

Solutions might include:

- Advice on when to upgrade certain pieces of your equipment fleet
- Information on special offers, such as sales promotions or unique financing
- Service reminders
- Education on new or alternative products that can help you better accomplish your goals and make more money
- Education on new products that can help you expand your business

Many dealers have actually taken on new product lines because their landscape contractor customers had expressed a need. So be sure to let your dealers know what you want to buy from them—which includes everything from mulch and fertilizer to specialty equipment you simply might want to rent from time to time.

Equipment uptime. Most dealers understand that time is money to a contractor. This is why equipment uptime is critically important. And that's why good dealers put systems in place to make sure their contractor customers are taken care of. Examples include:

- Offering priority service to a contractor who bought the piece of equipment from their dealership.
- Providing loaners when same-day service cannot be accomplished. In some instances, you have to “pay” for the loaner by having previously purchased an extended service plan, or by spending a certain amount of money with the dealership each year.

- Providing a separate, contractors-only parts counter so busy contractors don't have to wait in line behind confused homeowners.

In more rare instances, some of the larger commercially focused dealers take it even further. Some offer workshops on preventive equipment maintenance. Some will send a technician into the field when one of their best contractor customers has a piece of equipment go down on a jobsite. Some work closely with contractors to help

them manage their parts inventories, even delivering parts to the contractors' facilities.

The goal is to strengthen your relationship

Good dealers provide these types of perks because they want to earn your business. They want to be more than just a place where you go to buy product. They want to be your partner. When one of your vendors delivers on all three counts, you



Top: Some equipment dealers offer various forms of “express service” for their loyal landscape contractor customers.

Bottom: You likely have different types of suppliers which fulfill different types of needs.

have a vendor you should build a relationship with.

Good vendors who “make the grade” should be viewed—and treated—as members of your team. Communicate with them often, openly and honestly. Discuss ways you can help each other.

Maintain good relations by paying your bills promptly. And speaking of paying, it’s OK to negotiate a fair price in the normal order of business. But when determining what is fair, think about all of those ways the vendor goes the extra mile for you. Get the scorecard out that you’re now using to evaluate your vendors. If a vendor is doing a great job in helping you to manage and grow your business, that vendor doesn’t deserve to get bludgeoned to death on price. In the grand scheme of things, saving a hundred bucks is not worth damaging a good relationship with a good vendor.

On the other hand, if you have a vendor that isn’t living up to expectation, let them know. Show them your scorecard. Remind them of what your goals are and how you’re hoping they can help you. Remind them that you’re willing to reward them with your loyalty if they meet this expectation. If they aren’t willing, it’s probably time to find a new vendor—or should we say, partner. ◀

How one mower manufacturer has set a commercial-dealer standard

Exmark, the manufacturer of commercial mowing equipment with a leading market share position, designates certain Exmark dealers as “PROCertified”. This means that these dealers have a proven track record of going above and beyond according to their valued landscape customers.

PROCertified requirements include:

- Convenient hours of operation for servicing the landscape professional.
- Adequate staff of proficient, full-time technicians to regularly attend service training schools and other learning opportunities.
- Has optimum level of fast-moving parts inventory at all times.
- Delivers consistent 24-hour

service turnaround on equipment repairs.

- Provides loaner/demo products to help eliminate downtime.
- Displays clear pricing policies that are fair and equitable.
- Actively participates in all Exmark sales, service and support programs.
- Proactively works with landscape organizations to help train crews on proper safety, operational and maintenance practices.

In order to maintain PROCertified status, dealers must not only adhere to the above mentioned requirements, but also must score satisfactorily on surveys which their landscape contractor customers are asked to complete.



Klei Mower in Cincinnati, OH, is an example of a well-established equipment dealership that branched into other product categories in order to better serve contractor customers. Klei Mower now sells premium-quality mulch.

→ Do you have an equipment dealer or other vendor that is a great partner to you? We’d love to hear about them ... so check the online version of this article at greenindustrypros.com/10838466 and leave a comment!

How To Establish a Marketing-Based Social Media Strategy

Many contractors who utilize social media are doing it because: 1) they see their competitors doing it, and 2) a social media marketing agency sold them on the idea that using social media would lead to all kinds of new business. The problem, typically, is that there is no real strategy involved, and no means by which to measure the effectiveness of their social media efforts.

Andrew Pototschnik works with lawn care companies to formulate and facilitate social media efforts as part of overall strategic marketing campaigns. Here are his tips to help you establish a marketing-based social media strategy that will actually help turn your “likes” and “followers” into “leads” and “sales.”

Look at social media like other forms of marketing

Social media should be treated no differently than direct mail, telesales, door hangers, email marketing, etc. “It’s just another tool in your marketing toolbox,” Pototschnik points out. To that end, if direct mail or other forms of marketing are still working for you, don’t stop doing them. Social media is something you can simply add to the mix. In fact, social media will be even more effective when combined with a solid email marketing effort.

Understand how most people use social media

Most consumers still turn to search engines like Google or Bing when searching for a new service provider. Thus, it’s likely that the majority of your social media followers will be existing customers who already know about you and have visited your website. Recognizing this

important fact is the first step to formulating a meaningful social media marketing strategy.

Identify your content strategy

Some social media agencies say it’s all about branding, so all that really matters is getting a bunch of people to follow you and share your posts. But if you want social media to help generate sales, you’ll need a more thought-out strategy.

You can’t just set up a Facebook business page, for example, and start posting things. You want to plan out your campaigns well in advance, and actually establish a schedule of things you’ll post throughout the year.

Keeping in mind that you’ll be talking to existing clientele, your goals should be to:

- **Deepen relationships with existing clients.** “It’s harder for clients to fire a friend,” Pototschnik reminds. Talk about your company,



Visit our website to listen to Andrew Pototschnik and Green Industry PRO editor in chief Gregg Wartgow talk about:

- ▶ **The Future of Internet Search:** greenindustrypros.com/10830458
- ▶ **Responding to Negative Online Feedback:** greenindustrypros.com/10830789

employees, vendors, the community, etc., in order to establish more of a personal connection with clients.

- **Encourage clients to refer you to their friends.** Discounts, raffles and other incentives can help.
- **Gather testimonials.**
- **Promote additional services.** This is where planning in advance really comes into play because we're talking about seasonal add-ons, in most instances.

Measure if it's working

Just like with other forms of marketing, you need to know if your social media campaigns are working. This can get tricky, but is definitely doable.

Facebook, for instance, has built-in analytics called "Insights" that measure how well your posts are working. Additionally, Google Analytics can tell you how many of your website visitors are being referred by Facebook, Twitter, YouTube, etc. And like you might already do with other forms of marketing, you can set up unique phone numbers and/or promo codes so you can track where new leads are coming from.

"There is no substitute for training your phone staff to ask callers where they heard about you," Pototschnik reminds. "This is the ultimate judge. Who cares how many Facebook fans you have. You want to know how many people are picking up the phone and calling you based on what they saw on Facebook." ◀

Social Media Strategies for Different-Sized Companies

How you approach social media marketing will depend on what stage of the game you're in. Andrew Pototschnik offers the following advice.

For those just starting out

Make sure you set up a **"business" page on Facebook** as opposed to a "personal" page. If you're promoting a business on a personal page, Facebook will likely delete it.

Set up a **Google+ business page**. "This is Google's answer to Facebook, and will become more and more important over time with respect to internet search," Pototschnik points out.

Once you get going, you can set up a **Twitter account** for your business. Also consider a **YouTube channel**. Video is a great marketing tool. You can also feed these videos through to your own website.

Speaking of **your own company website**, immediately add the Facebook like, Google +1, Twitter and YouTube icons on every page. That way visitors can instantly begin following you and referring you to others.

Start posting relevant information about once a week.

Don't spend a ton of time at first, though. Your main goal is to start building up your list. Once you get to around 100 followers, you can start thinking about hiring

someone to manage your social media efforts.

For those who've been at it a while

Don't just play it off the cuff. **Create a social media marketing calendar.** You want your posts to coincide with the different promotions you're doing throughout the seasons. For example: "We're running a special promotion on a lawn treatment this week. The first 10 people to share this with their friends get a 20% discount."

You also want to **engage more with your followers on a personal level.** You want to build a friendship. Talk about your company, employees, vendors, what you're doing in the community, etc. Post photos of recent projects. Have a "customer of the week" contest. Show that human element of your company to make a connection.

Finally, tips and educational information can be effective, but don't get crazy. It's likely that most of your followers aren't really interested in the scientific details of a certain seed you are using.



Andrew Pototschnik is the founder of Lawn Care Marketing Expert, a leading marketing agency for lawn care and landscaping entrepreneurs who are hungry to grow their business to \$1 million in sales and beyond. Visit lawncaremarketingexpert.com for more information.

Quick Primer on Sustainable Landscaping

Landscaping's role in LEED and green building, an update on SITES, and tips from real-life landscape contractors you can use yourself.

The concepts of “green building” and “sustainability” started touching the landscaping business nearly a decade ago. Today those concepts are fully entrenched in the industry. More contractors are adopting the use of sustainable products and practices. Even those that aren't have at least developed more of an awareness.

It's definitely been an arduous work in progress, though. Originally created in 1998, LEED soon began taking several landscaping-related components into consideration, such as water efficiency in irrigation and stormwater management. Then, in the 2005-2006 timeframe, a new proposed rating system called the Sustainable Sites Initiative (SITES) emerged. SITES was created to promote sustainable land development and management practices that can apply to sites both with and without buildings.

In June 2012, *Green Industry PRO* magazine offered an

update on SITES. SITES had just wrapped up its two-year pilot project phase. Administrators were in the process of revising the program to better account for regional climatic changes and landscapes that do not contain buildings.

In September 2012, SITES announced that eight of the 150 pilot projects had attained certification. Some of the sustainable-landscaping practices these projects utilized were:

- Use of salvaged materials to use in gardens, etc.
- Cisterns, bioswales and a rain gardens to collect rainwater
- Green roofs that reduce energy costs and slow stormwater runoff
- Low-maintenance lawns that do not require weekly mowing, additional irrigation or fertilizer
- Improved soil health resulting from organic additions and percolation
- Gardens that include drought-tolerant and/or edible plants
- Permeable hardscapes.

Those are just a few examples. For more ideas, let's take a look back at a series of articles

which appeared in 2010 editions of *Green Industry PRO*.

Designing Sustainable Landscapes

Preserving and repairing resources. Guidelines call for the selection of building sites with a view toward preserving existing resources and repairing damaged systems, and otherwise planning for sustainability from the onset of the project.

Dean DeSantis of DeSantis Landscapes in Salem, OR, says that a team approach, or integrative design, works best for designing sustainability into the early stages of a project. He tells how a multi-disciplinary team comprised of, for example, the building architect, property owner, mechanical engineer and landscape designer, can add value by looking at a project in a holistic manner as opposed to the single dimension of each discipline.

“We've participated in brainstorming sessions where participants tossed around ideas about how to make the site as sustainable and efficient as possible,” DeSantis tells. “Among considerations, a team looks at the solar orientation of the

home, drainage patterns (where the water naturally flows), and the native flora and fauna of the site. Understanding grades and the natural lay of the land is critical. What you don't want, for example, is to construct a driveway that slopes toward the home, or destroy key habitat for local fauna. Ideally you would like to treat all the stormwater while on site by slowing it down and filtering it before it leaves the site."

Protecting existing plants and trees may also be a high priority in the early stages of project design, according to DeSantis. If certain species cannot be spared, then possibly transplanting them to another site would be feasible.

Richard Heller of Greener by Design in Pelham, NY, agrees. He believes that people should spare trees that are older than themselves. "But at the same time, we're not the ones paying for design and construction. We have to educate property owners who ultimately must decide if being sustainable is cost-effective for them.

"Our company doesn't sell sustainability up front," Heller adds. "Instead, we look at the initial design from a purely aesthetic perspective, and then present the property owner with several different options. Then, when pulling out a contract, we talk about sustainable options."

Preserving as many native plants as possible is one of those options. "You can encourage customers to avoid removing trees that take a long time to grow, especially hardwood trees," Heller explains. "Big trees not only provide shade,

sequester carbon dioxide and produce oxygen, but also add aesthetic value to a property. You can talk about controlling or eliminating invasive species and replacing them with native and acclimated native species.

"In terms of repairing damaged sites, introducing plants that absorb metals in the soil can actually help clean up toxic sites," Heller goes on to say. "And don't underestimate the value of a soil test."

Managing water. Protecting and restoring water can mean either keeping stormwater on site or slowing it down to give it time to be cleansed before leaving the property. Rain gardens comprised of native plants, rushes and sedges have become popular. So have cisterns that collect and feed rainwater to irrigation systems. DeSantis' company also advises clients to divert downspouts to a "dry creek" bed, bio-swale or pond area that will fill and slowly release the water back into the soil during rainy Northwest winters.

Properly designed irrigation systems and the use of drought-tolerant plants will relieve pressure on water resources. And, as DeSantis has demonstrated on projects, replacing old landscape elements with new permeable material will minimize runoff.

"Finding ways to eliminate the use of potable water in



One of the eight certified pilot projects is the SWT Design Campus in St. Louis, MO. Here's a photo taken from the bridge looking back over the rain garden to the permeable parking lot. (Photo by SWT Design.)

landscaping elements will help protect this vital resource," adds Heller. "Innovative products such as ornamental water features that re-circulate rainwater work to this end."

Protect and restore soil and vegetation. Heller re-emphasizes the important role that soil plays in the mix of reducing a property's carbon footprint. "Minimizing the use of heavy machines reduces harmful compaction, while saving topsoil during excavation is less expensive and time-consuming than restoring it later on," Heller says.

"Saving existing topsoil for reuse on a site is ideal, but one needs to allocate space for the effort and keep it covered and dry," adds DeSantis. "However, there are certainly times when it just isn't practical or cost-effective."

DeSantis also advises putting together a tree preservation plan and incorporating regionally adapted plants to help broaden the palette. As he describes, "Our *continued on page 28* ▶

region here in the Northwest has a very similar climate to the Mediterranean, so plants that are native to that region also do well here.”

Diversity can go beyond adding aesthetic value, Heller explains. “Biomass is a term that emerges when one researches the value of sustainable landscapes. It involves adding diversity to landscapes by layering plant material. The strategy encourages wildlife and beneficial insects, optimizes carbon sequestration, and promotes a more complex and healthier ecosystem overall.”

This approach, Heller admits, comes at the expense of turfgrass. However, reducing unnecessary lawn area (such as on the sides of a home or in back areas), depending on a family’s needs, saves on watering, mowing and other maintenance practices, and reduces the use of fertilizers and pesticides.

Reuse and recycle existing materials. “Sustainability, for me, is less about global warming and more about reducing waste,” DeSantis emphasizes. “If you’re not participating or have no plans to participate, then you’re wasting resources not only for your business and your clients, but for future generations.”

One way to reduce waste is to reuse and recycle existing site materials. “I designed and built a project a few years ago that was using sustainable practices before sustainability became so popular,” recalls Jody Shilan, president of the New Jersey Landscape Contractors Association and owner of Jody

Shilan Designs. “I think we were more concerned about controlling costs than saving resources back then.”

Shilan, who has a master’s degree in landscape architecture, explains some of his sustainable solutions. “At one residence, I removed an existing deck prior to the renovation of the house, and reused all the pressure-treated lumber to frame the new deck and even build a trellis. We created a pool patio from pavers that were removed from another client’s house where we had demolished their pool and patio.”

Shilan goes on to explain that the walkways and driveway borders were made of recycled brick from another project. The driveway was constructed from leftover pavers from several projects, creating a special blend. A large boulder, removed during construction, was engraved and set at a public garden installation.

Constructing Sustainable Landscapes

Reusing and recycling materials. SWT Design was managing two SITES pilot projects in St. Louis. They said they have applied every green initiative possible, from sorting out metal and recycling during the demolition phase to installing a green roof, rain garden and permeable parking lot.

On the corporate campus project, SWT incorporated the re-use of materials in its design.

- On-site rock and aggregate used to help establish an aquatic habitat and an employee walking path

- Dead or invasive trees along a fence row removed, sent to a recycling facility, and eventually reused as mulch on site
- All soil stays on site as part of a newly developed interpretive trail and meadow habitat—saving dump truck fuel and helping reduce the project’s carbon footprint
- Additional solar panels offset the energy required to power Wi-Fi at a newly constructed garden gazebo, as well as offset the energy consumption of the electric car chargers and security lighting that is going into the new design.

Among other SITES initiatives, SWT designed-in zero water runoff for the corporate campus, employing percolation pits and clean aggregate to facilitate the performance of permeable pavers.

Protecting vegetation. In a recent park project, for example, Heads Up Landscaping in Albuquerque, NM, employed significant tree protection with tree barriers, and completely avoided excavation around the canopy. When working at large housing sites, they establish appropriate parking areas ahead of time, and define those areas where heavy equipment will not be used.

In Albuquerque and other parts of the Southwest, water conservation is a big issue. Heads Up harvests rainwater on many sites via cisterns. While cisterns are more than 2,000 years old, what is new and exciting is how the rainwater they collect can be directed to today’s irrigation systems.



At Victoria Garden Mews in Santa Barbara, CA, the shared vegetable garden and 30 fruit trees provide fresh produce to the residents, along with a place for social interaction. (Photo by Holly Lepere Photography.)

Oregon-based Pacific Landscape Management encourages clients to take advantage of bioswales and rain gardens to retard water runoff. “These elements need to be designed and installed into the landscape in a way that allows them to be properly maintained,” says company president Bob Grover. “In other words, they need to be integrated into the project, to be maintained just as routinely as the traditional landscape.”

Turning waste into resource. Landscape contractors can use recycled concrete and stone as aggregates in place of limestone for paver base. Recycled bricks make great decorative mulch around plantings and on pathways, as do pallets that are recycled, ground down and colored. The combination of bio-solids and foundry sand make an ideal topsoil for landscape projects.

Ohio-based The Pattie Group is a dedicated user of recycled material on its projects. “We design projects up front to re-use as much material as we can,” says Steve Pattie. “We stockpile reclaimed stone and concrete to be used as drive-

way base, while excavated soil can be used for mounds and embankments—a better and less expensive alternative than trucking away material.”

The keys for The Pattie Group and its effort to be sustainable designers and builders are planning and getting buy-in from employees. It starts in the beginning, working with the building architect, engineers, builder and owner. That’s where decisions are made early on to store and re-use topsoil, to use native plants that are easy to maintain, or to raise the elevation of a pool by a foot or so to save soil and excavation expense, for example.

Staging and scheduling during construction can be critical. Proper scheduling can reduce the number of needless trips, and having designated staging and parking areas can help reduce soil compaction.

Maintaining Sustainable Landscapes

When it comes to your landscape maintenance operations, going green is not just about switching over to electric-powered equipment or organic lawn care. It’s about the entire

picture—making sustainable maintenance affordable for your customers and profitable for your business. Becoming more sustainable may even allow for you to use many of the same products you’ve been using for years.

For example, things like herbicides and insecticides can be utilized as part of an overall Integrated Pest Management (IPM) program. However, many contractors are also finding success with organic-based fertilizers. For example, Greater Texas Landscapes in Austin, TX, has begun applying organic and bio-solid fertilizers, and then controls weeds and pests by following IPM guidelines.

Traditional gas-powered equipment can also be utilized responsibly, as today’s equipment is cleaner and more efficient than ever. Ozone action days in places like Austin, though, have helped fuel demand for propane-powered mowers. Contractors all over the country have actually begun to adopt the use of propane for a variety of benefits. Battery-powered equipment has also come a long way. Diesel and bio-diesel are also considered a good environmental alternative.

Maintenance contractors can also think about whether or not it’s necessary to collect grass clippings. Better routing can help conserve fuel. The type of oil you use in trucks and equipment can make a difference from an environmental standpoint. It’s really all about making sustainability a priority in your company—whether we’re talking about design, construction or maintenance. ◀

Secrets to Raising Prices Without Scaring Customers Away



For most landscape contractors, prices have been stuck for quite a while. But that could start to change this year. Contractors need a well-devised plan of implementation when raising prices. Simply blindsiding customers with a price hike leaves you very vulnerable to getting dumped.

Follow these tips if you want to raise prices in a way that puts your company in a better financial position, not a worse one caused by an exodus of irritated customers.

Identify where your prices need to go. There are two trains of thought with respect to raising prices: 1) phase them in with smaller increments over a period of time, 2) institute one larger price increase in one fell swoop. There are pros and cons to both methods.

Many business experts agree that numerous smaller increases are more likely to aggravate customers. This method creates more uncertainty, and continually reminds customers that they'll be paying more than they did before.

Conversely, one larger price hike better gives customers something to plan around.

Explain yourself. Regardless of which method you choose, it's important to communicate with your customers. Most people understand that prices have increased on a lot of items, from fuel and food to insurance and utilities. Explain how this inflation is adversely affecting your business.

Be careful, though. You don't want to sound like a whiner who is only concerned about making a huge profit. Come at it from the customer's perspective. For example, a dramatic rise in your cost of doing business is making it harder for you to provide the level of quality and service your customers have come to expect. You want to continue to invest in the best materials, equipment and training available. You want to be able to attract the best employees through good compensation programs.

Be proactive. Don't wait for a customer to say, "Hey, you're charging me more than you did last year!" before you spring into action with your explanation. Give customers plenty of notice. Send them a nice let-

ter signed by you, the owner. Better yet, give customers a call—especially your top 20% that typically account for 80% of your revenue.

Come up with options. When talking to customers about your looming price increase, you'll be able to answer their questions. You'll also be able to come up with options, if necessary. Let's face it: It's still very competitive out there, and some customers will not be OK with paying more for your services, especially if other contractors remain willing to work for a lower price.

One thing you can do is cross-sell other services to come up with packages, from which a customer can earn a certain discount.

Another tactic is to offer a tiered level of pricing. Car washes do this very well. Even some landscape contractors are successfully doing it. Check out Louisiana contractor Tim Twomey's approach (page 5).

Get staff on the same page. Finally, make sure your staff are all on the same page. Nothing is worse than having different members of your team giving customers different stories. ◀



Jerry Clay, Owner
Clay's Power Equipment
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