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Details Coming for July, 2003 Dayton, OH TPI Summer Convention!

Watch your mail! Details on the TPI Summer Convention & Field Day in Dayton, Ohio will be arriving soon...if you don't already have them. Highlights:

July 21 – ITPF Golf Tournament

July 22 – Scotts Company Tour & TPI Banquet

July 23 – Farm Tours and On-Farm Carnival Evening of Fun

July 24 – On-Farm Field/Demo Day (Open Exhibits & Equipment Demonstrations at Green Velvet Sod Farms

July 25 – TPI Annual Business Meeting

BUSINESS MANAGEMENT

Turfgrass Producers International

Gazing Into the Crystal Ball

Outlook for the 2003 Season

As growers in the northern hemisphere gear-up for the spring season, they may want to consider some or all of the following points into their planning:

Establish reality-based pricing that includes a fair and reasonable profit to the farm. Some operations, because of their need for an infusion of quick cash, think that dropping their prices even before the seasonal demand is determined is wise. It isn't! Starting off low makes it almost impossible to get prices back to a reasonable level later in the year. Stockbrokers say, “never try to catch a falling knife.” The same would apply to lowering spring prices in the hope you can raise them later.

Plan promotional efforts early and inform your long-term customers of new pricing or delivery charges and overall availability of turf, new varieties or services. Also, order marketing fliers from TPI or other sources, personalize them to your farm and get them distributed via door-hangers, direct mailings, gardening shows or installers. Build your customer base every year rather than relying strictly on repeat buyers alone.

Be aware of the impact of a war, although no one can or is saying what will happen in Iraq during the coming months, it's likely the status quo will not be maintained. If there is a war, expect at least a short-term spike in fuel and petroleum-based materials such as fertilizers and lubricants. Locking in prices now, for future delivery may be a very wise choice.

When it comes to water...prepare for the worst and you won't be unprepared or disappointed. Fears and forecasts of a 2003 drought, at least as severe as last year's, dominate many people's thinking.

Spend some time with the local water providers to learn what they may be thinking or planning. In some markets, such as the west-central portion of the U.S., growers recognize the prior year's level of water-shortage will carry over

that problem to this year for them. Other areas that rely on snowfall need to determine what the outlook is and how the area will react to shortages.

Don't forget to utilize the ITPF “*Water Right—Conserving Our Water, Preserving Our Environment*” book as a valuable resource for yourself and water-policy decision-makers in your area. It's downloadable from TPI's website (www.TurfGrassSod.org) or from TPI.

Look at new construction and interest rates as a market indicator to help you in your pricing, production, marketing and promotional planning. Historically, turf sales trail home construction by a few months...whether it's going up or down. Knowing the trends can help the decision-making process.

Plan now to aggressively recruit a solid work force because the chances seem high that the borders will be watched very carefully and even legal migrant workers may have trouble returning to a former position. Also, sod farm positions aren't attractive to many of the unemployed.

Retaining or returning workers is of course key, but recruitment can be effective for new positions. High school coaches can be a great source, as well as former employers who were treated fairly and paid reasonably.

All ITPF Contributions Are Tax Deductible

But the beauty of either contributing or bidding on an auction item is that it can also result in a useful item and wonderful memory. For individuals unable to attend the Midwinter Conference, ITPF would encourage them to contribute an original or unique item to the auction. This might be the use of a vacation condo, a piece of art from a recognized artist, transportation in a private plane or other creative and fun, non-farm related items. For further details, contact TPI's Kirk Hunter at TPI.



Taking Care of Business

By Jack Meyers
Meyers Turf Farms, Inc.
Stilwell, Kansas

How a Dummy Takes Care of Business

After thinking about some good tips to give everyone regarding "taking care of business," and after reading a book called "Managing for Dummies," I came up with the title for my article.

What it amounts to is a summary of the way sod farming has gone at Meyers Turf Farms during the year 2002. Although it is loaded with a lot of "dumb" actions, I hope you view them as lessons learned and not make the same mistakes.

To begin, we went through an extremely dry winter. Finally, it was early spring and time to fertilize and pre-emerge. I hire most of my fertilizing out to custom operators. Because of that the fertilizing went pretty well.

Elusive Communications

The pre-emerge operation that we do didn't fare so well. Trying to be a good manager and to make my instructions clear, I wrote out the instructions for my farm manager. I wanted to put Tupersan on the winter over-seeded turf type fescue. My manager decided on his own to add some Dimension to it for good measure. He got two loads down before I happened to catch what we were doing. I guess I was the dummy. I should have delivered one chemical to him at a time. That would have solved the problem.

Knowing When to Mow

In May, it rained almost every day,

and while we did need moisture to fill the ponds, mowing got away from us. It finally stopped raining the first of June. We jumped in and started mowing and vacuuming every thing down to as high as the mowers will go—3-½ to four in.

Once again, the weather became hot and dry. It rained only 1-½ in. in the next three months with temperatures around 100 degrees. All the grass that was about one month away from cutting died. The young grass lived. Even the irrigated grass went backwards somewhat.

If I had been smart I would not have mowed the older grass on the dry land areas.

Increased Sales Efforts

Next, in my wisdom, I decided we were not getting our share of the golf course sod business. I hired a salesman to contact the golf course superintendents and stir up some business. He apparently thought it was more important to inspect the fairways up close and personal first, rather than contact the superintendent. I understand he spent most of his time playing golf, and working with already existing customers.

Bold Price Increases

My next great management idea was to raise the price of sod to all my customers in North Kansas City. Travel time was greater, many yards were hilly or wooded and it seemed like a 10 per-

cent increase was in order. We were driving 40-50 miles further through more traffic and with fuel costs, wear-and-tear and labor it seemed like a good decision.

Well, guess what, we basically lost all our North Kansas City customers.

In line with my rationale for raising prices, I evaluated our pricing on vegetatively spread Buffalo grass. I priced it at three times the price of my turf type fescue. It took three to four times longer to grow and consequently three to four times the maintenance and care, including mowing and chemical applications.

You guessed it. No one bought it because it was too expensive.

Pleasing Customers

Most of my customers wanted small orders of slatted Buffalograss on pallets and the only way the sod could be handled was in netted big rolls. I guess my soil was too good because now they tell me it grows better on clay. You can likely slab anything on clay.

Diversification can be a method of "taking care of business" through vertical integration. To explain, you may want to consider expanding your services (vertical integration) by adding delivery or even installation.

At the same time, you may be able to pick up more customers. In other words, continue in your area of expertise while meeting the growth in volume required of the growing overhead demands.

I don't know what will put me out of business first, my poor decisions for "taking care of business" or my out-of-town competition slowly squeezing me out from all four sides.

The only good decision I can look back on with pride is not to put money in the stock market. I seem to confuse my stocks and socks anyway and am not sure which is which.

I could write several more pages on diversification and how not to do as I do, but to do as I say. Stick with one thing and do it right. I do know something about the sod business and even though the grass looks greener in other lines of endeavors, if you know sod then grow sod.

Easy Way to Sell to the U.S. Government

Selling to the U.S. government doesn't always involve bureaucratic contracting. The government buys all of the same type of products and services that private businesses do—contracts aren't needed for purchases under \$2,500

Key: More than 500,000 federal employees have "SmartPay" credit cards for business purchases. They make more than \$13 billion in purchases annually.

Opportunity: A recent study found the Web has become the number one tool for federal buyers seeking information about products and services—surpassing peer recommendation.

To develop government employees as customers, display the SmartPay logo on your website. It is available at the website www.fss.gsa.gov. At the top of that page, search for "SmartPay" and then scroll through the options until you find information for downloading the SmartPay logo, along with additional business information about using the program.

Helpful: Extensive information about selling to the government is available through the *Selling to the Government* link at the home page of the General Services Administration www.gsa.gov



Marketing Tip

By John R. Graham
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Communications
Quincy, MA

How to Sell More When Others are Selling Less

An uneven, unpredictable and uncertain economic environment only makes selling more difficult. And the road ahead may be even more treacherous. It's the real world of selling and it challenges every salesperson to do more. Is it possible to do more? The answer is "Yes" but doing so means looking at the sales job differently. Business writer Price Prichett stated, "In the coming era, jobs are not something you have but tasks you perform." As we're all discovering, "the coming era" is here. It's all about tasks—not time, just tasks and those tasks are essential. Consider these 10 tasks for more effective sales:

Plan your month, week, day—If you don't have a personal plan, you can't produce results. A recent *USA Today* survey shows: one percent of employees plan their day, 35 percent plan their month. Another 25 percent of salespeople meet their annual sales quotas. What good is a quota, if there's no daily, weekly, monthly plan to get there?

Do paperwork daily—Whatever method you choose to use—a file folder, laptop, or a PDA—the mode is less important than doing it. But what counts is that notes and records be kept every day. Planning and record keeping needs to be done when the information is fresh. Those who follow this protocol never have to say, "I can't remember," when asked a question.

Prospect consistently—Most salespeople have a handful of prospects but few have 50 or 150 carefully selected (profitable) prospects. And too few manage this group with the same attention they give their existing customers. They are too busy working to further their relationship with prospects.

Contact customers constantly—Weekly sales reports can help you stay in touch with customers. The reports remind you to include customers in your weekly bulletin, product update or market intelligence report, in addition to telephone contact and personal calls.

Limit time spent with "favorite" customers—It's difficult to escape the temptation to call on "favorite customers." After a few tough meetings and

a series of problems, dropping in on the satisfied customer can be reassuring. But more often than not, valuable time is wasted calling on these customers.

Prepare meeting agendas—The first few meetings with customers are often planned carefully. As time goes by, however, meetings tend to become less well structured and clients begin to feel their relationship is being taken for granted.

Work by appointment—One of the most effective ways to be efficient with your time is to work "by appointment only." Of course there are emergencies and unexpected meetings that interrupt your schedule and must be fitted in. The goal is to get more done in less time, not just fill the day with activity. And, saving time is important to a customer.

Evaluate every activity—Get tough with yourself. If a trade show or meeting is no longer productive, build a case for getting out. Being focused means being rigorous about the way you use every minute of the day.

Anticipate objections—It's surprising how few salespeople actually anticipate objections or fail to recognize customer questions as expressions of significant buying interest. If price appears to be an issue, don't wait for the customer to raise it. "You're concerned about cost, aren't you?" "Yes." "I can understand that. If I can show you how buying from us will actually lower your costs, can we have your business?" If "no," get going and come back at a later date. In trying to be better listeners, the task is trying to figure out what's going on inside the customer's head.

Be ready—Too often salespeople rely on their way with words rather than preparation. Boilerplate proposals omit details. Telling the prospect this is a fact-finding session conveys the salesperson is unprepared. Customers see all this as a sign the salesperson hasn't done his or her homework.

Learning these 10 tasks isn't easy. Mastering them can be tedious for those who are new to sales. At the same time, the pressure to perform is on everyone, but it's particularly noticeable for salespeople.



Shrewder Computing

Don't be a Victim of On-Line Fraud

According to a new report from the Internet Fraud Complaint Center (IFCC), on-line fraud is prevalent. Understanding the risks and being aware of scams can help avoid becoming a victim. But as Internet usage and e-commerce continue to increase, so will the number of scams.

During 2001, 49,711 complaints filed with the IFCC can be categorized as follows:

Non-payment or non-receipt of auction items (42%) topped the list of on-line complaints. Sometimes hackers will hijack auction site accounts with positive ratings, post goods for sale and pocket the money. While the chances of dealing with a hijacked account are low, IFCC cautioned auction participants to find out more information about the seller and to learn what actions the auction website will take in case of problems with transactions.

Non-delivery of merchandise or payment (23.3%) is another risk cited by IFCC complainants. Purchasing merchandise from a reputable source would minimize this.

The Nigerian Letter Scam (15.5%) is one of the most pervasive scams. Someone posing as a dignitary asks the e-mail recipient for his assistance in transferring non-existent millions of dollars into the latter's bank account. Recipients are asked for bank account numbers and blank company letterhead and forms. Unfortunately, many people follow the instructions and lose dollars instead of obtaining millions.

Credit card theft (9.4%) is a growing problem but much of it is still conducted in the traditional sense—physically stealing credit card information through receipts. Some thieves are even posting "fake" websites to trick people into divulging their personal information such as Social Security or credit card numbers. The latest twist is underground websites are brazenly selling this "good" personal information.



TPI Action

High Return of Comprehensive Member Survey Will Set Course for Organization's Future

TPI's 2002 Membership Profile and Needs Assessment Survey...all 14 pages of it...has been sent to every TPI producer member (Classes A and S). If you have not received this document, please call TPI immediately at 800/405-8873 or 847/705-9898, or e-mail your request to info@TurfGrassSod.org

Assuming a high rate of return, and valid data, the survey results will help to document the economic impact of the industry for federal, state and local issues as well as provide TPI much needed marketing and market-share information.

In addition to the farm profile details, the member needs portion of the survey will help define new programs or improvements. TPI's last member profile survey was undertaken in 1997, and is obviously outdated. Completed survey forms should be returned to TPI as quickly as possible.

'Open Forum Roundtable' to Debut in Dayton

Getting more members involved in TPI is the purpose of a new concept that will be fully implemented at the Summer Convention in Dayton, OH. On Friday, July 25, from 7 to 9 am, the Miami Ballroom of the Crowne Plaza Hotel will be filled with tables, each having a specific topic tag.

TPI Board members, volunteers and staff will "host" the tables and encourage members to share problems and solutions or propose programs TPI can undertake...all related to the assigned table topic.

During the 2-hour session, members will be encouraged, but not forced, to spend time at other tables and discuss different topics.

Based on recommendations coming from the tables, the Board will be able to implement some concepts immediately, assign tasks to staff or appoint special Task Forces.

To receive additional information on any of these items, contact the TPI Office

Tel: 800/405-8873 or 847/705-9898

Fax: 847/705-8347

e-mail: info@TurfGrassSod.org

Website: <http://www.TurfGrassSod.org>

Water Awareness

Turfgrass Provides Opportunities to Solve Environmental Problems by:

- ✓ Reducing erosion
- ✓ Reducing volume of run-off water, soil sedimentation, fertilizers and pesticides getting into water-ways
- ✓ Holding water in place longer to enhance groundwater discharge
- ✓ Reducing fire hazard
- ✓ Providing a green belt in urban areas
- ✓ Stabilizing dust
- ✓ Abating noise
- ✓ Reducing glare
- ✓ Reducing noise pollution in congested areas
- ✓ Increasing ground water recharge
- ✓ Reducing high temperatures in urban areas
- ✓ Increasing degradation of organic chemicals
- ✓ Reducing problems with pests such as insects, snakes and rodents
- ✓ Removing CO₂ from the atmosphere and providing O₂—(625 square feet of lawn provides enough oxygen for one person for an entire day.)
- ✓ Providing a safe haven for many kinds of wildlife

Business Management

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