

June/July 2003



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BUSINESS MANAGEMENT

Turfgrass Producers International

TPI Roundtable Forum — July 23

Get Answers, Provide Direction

*You have questions...you need
answers.*

*You have suggestions for TPI, and
you want a way to share your ideas.*

**TPI's Roundtable Forum is
the solution to both!**

Come to the Crowne Plaza Hotel Ballroom at 12:30 pm, Wednesday, July 23 and you'll find a sumptuous buffet, and a room filled with discussion tables for up to 20 people each.

Each table will have an assigned topic such as "Insects Are Eating Me Alive," "Produce More Turf With Less Water," or "Selling A Yard By the Foot." Other topics will address fertility, regulations, labor, sales, coalitions, etc.

Hosting every table will be a TPI leader or staff member who will facilitate the discussion and take specific ideas or recommendations directly to the July 26 Board of Trustees' meeting.

TPI President Stan Gardner advised, "This Roundtable Forum concept came about as a means of involving more members in TPI's programs while at the same time helping members build a better network of fellow producers. If we think of it as a way of bringing the hallway conversations into a meeting, it will be very effective. The Board recognizes it's going to be new and different to everyone, and we're convinced it will get better and better at every meeting, especially if all of the members get involved with the table discussions."

As the moderator scheduled for the Forum, TPI Vice President Ed Zuckerman offered, "With so many topics to choose from, I'd like to make some suggestions,

"First, review the hand-out of table topics you'll be given at registration to highlight your top choices.

"Next, find your first choice table and then load-up a plate at the buffet.

"Discussions will be facilitated—but not lead—by the table hosts. The role of each host is to get everyone else involved and keep the discussions moving.

"If you have a problem you want addressed (related to the topic), present it to the group and you'll probably get multiple solutions or at least comfort knowing you aren't alone.

"If you'd like to suggest a new program, activity or benefit for TPI (related to the topic) present it and your table-mates can discuss whether it should be taken to the Board for implementation.

"We'll announce the time about every 30-minutes so you can decide whether to stay at the same table or move to a different topic.

"By the time the session ends at 3:00 pm, you should have some solid answers and TPI should have some solid future directions. We'll all win and can begin looking forward to repeating the process in Santa Barbara at the

Green Industry Water Website Coming On-Line Soon

While all of the many details are still being finalized, TPI members should be alert to the fact that before the end of June a new landscape water website should be on-line.

Co-sponsored and jointly developed by the American Nursery & Landscape Association, Associated Landscape Contractors of America, Irrigation

Association and TPI, the site will offer just-forming or established local coalitions ideas, suggestions and directions on how to form and be effective in presenting the green industry's significant positions on water-related issues.

TPI Executive Director Doug Fender said of the new service, "this is just the first, small step these four national groups will be taking together. We've found that we have much more in common than separating us and we recognize that by coming together we can be more efficient and effective. We also hope that all of our local members will see how effective coalitions can be and take the right steps to forming their own group."

Notices will be sent to all members when the site is active.

TPI Annual Business Meeting

Crowne Plaza Hotel

Dayton, Ohio

9:00 to 10:30 am

Friday, July 25, 2003

All TPI members are invited; however only Class "A" members may vote on

BEARD
COLLECTION



Taking Care of Business

By Tobey A. Wagner
Sod Solutions
Mt. Pleasant, SC

Introducing: The Triangle of Success Concept

Like all companies in the turf business, Sod Solutions strives to deliver quality products and services to our customers. Our success is due to three important factors: quality personnel, superior products and focused marketing...the "Triangle of Success."

People

The people hired for various roles in our company were selected for their enthusiasm and genuine interest in the industry. Good people are the key to any operation. Positive attitude is the key to good people. It is by no means constant utopia around our office but each employee feels and is treated with importance. Each person knows and understands how competitive this industry has become and knows that a 100 percent team effort is essential for company success.

Pride is taken in the appearance of our office and its surrounds. Mediocrity is not accepted in our office landscape and is dealt with immediately and honestly resulting in improved employee relations. Respect is key both from employer to employee and vice versa.

Questions—

Do the people in your organization clearly know their roles?

Are they given opportunities to expand roles?

Are your employees enthusiastic?

Would you entertain buying something from your people based on their attitude if you were the customer?

Our industry is about improving the landscape and improving the quality of life for the end user. That goal must start with the landscape of our working environment. We strive to have a comfortable workplace and landscaped grounds displaying our grasses. We want our people to "see" what they are selling everyday.

Questions?—

Are you proud of the working environment inside and out at your place of business?

Is your landscaping an example of your product quality?

If you were the customer, would you

be more inclined to purchase turf from a company that had nice display areas and landscaping?

Products

Our grasses originate from internal research, outside consultants and turf breeders. We never stop looking for new products and ideas. Innovation is the corner stone to American business and the economy. Keep this important fact in mind the next time you hear someone say, "All I want to do is sell a standard product at a standard price."

Questions?—

What are your sources of new products or ideas?

Can you stay a profitable business for the long-term if you sell status quo for the next 10 years?

We enjoy this industry and get satisfaction from contributing to the development of new grasses that have a positive impact on the industry. Hard work, treating the developers with respect and not being afraid to fail are keys to our product success.

Our products are the foundation of the company; new products and ideas are the future of the company. We are not afraid to fail. Many grasses and new ideas are tested and sometimes fail. From every failure, we learn something which usually leads to success. In our business, failure is only temporary!

Questions?—

Are you trying new ideas?

Do setbacks motivate you to try again and try harder?

Focused Marketing

Marketing is often talked about but is rarely properly executed. Marketing is difficult, time consuming and expensive. Marketing is never a fixed entity but rather a moving target that must be given constant attention. Successful businesses must either have a "goose that lays golden eggs" or become successful marketers. Obviously a combination of both is best but since there are no such geese in this or any other industry, effective marketing is and will always be key to success.

Many turf producers view marketing

as a hassle and something to perform as a final step in the sale of grass, which is better defined as "spot advertising." These are the producers who become frustrated during "slow seasons" or during times of industry down-turn.

Marketing is an ongoing process that starts the day a company opens for business. Marketing is the industry's awareness and perception of "your" company, and it must be persistently developed and pursued to increase your company's long-term success.

Questions?—

Does your company have a marketing plan?

Does your company execute your marketing plan?

Do you understand the difference between marketing and advertising?

What percentage of your budget is spent on marketing?

Do you "out market" your competition?

Our company is a turf-related business that is successful due to superior products that are effectively marketed by professional personnel; therefore, establishing a "Triangle of Success." We realize this is only a current status that must not be taken for granted and must be maintained by continuous dedication and hard work from the people in our organization.

OTPI

When Silence is Golden

During business negotiations, more can be gained by knowing when to stop talking. Describe the customer benefits of your products and services, summarize your offerings and then wait for the other person to respond. Your silence prompts the other person to talk and, often in negotiations, he or she ends up making concessions.

OTPI

Marketing Tip

By Daniel Huggett
Columbus Turf
Ashville, OH

Marketing the Five P's: Product, Price, Place, Packaging & Promotion

To me, marketing is somewhere between sales and the more ambiguous world of economics. While the meaning of sales is clear enough, economics is a more complicated issue. The bottom line boils down to determining: "Why would you buy turfgrass sod from you?"

A good illustration of marketing is the multi-billion dollar auto industry with its diverse product offerings from a relatively few manufacturers. Customer options range from domestic to imports, basic and affordable to expensive and luxurious. Within each category, different brands of products offer virtually the same product features, functions and price.

I find a similarity in selling turfgrass sod. For example, wholesale verses retail; my wholesale price is \$1.20 per sq. yd. or \$72 per pallet for 60 sq. yd. My retail price is \$4.00 per sq. yd. or \$240 per pallet, which is higher than the retail price any of my nursery customers sell it for. Even though my retail customers could purchase sod through my wholesale nursery customers for less, they (retail customers) actually prefer to purchase sod direct from the farm.

My favorite example is a couple who drives 35 miles to my farm to buy sod by the pallet and pays retail. However, they can only load 20 sq. yd. at a time into their mini-van, thus, requiring three round trips or 210 total miles for each pallet load. During the summer, they purchased six pallets of sod, driving 1,260 miles! You may ask why would they go to so much additional effort and expense when they could buy the same sod for less at their local retail nursery four miles from their home. Are they irrational? No, because they simply enjoy (and place greater value on) the experience of coming to the farm, seeing the sod cut in the distant field and then loading it into their minivan. While mom and dad are loading the sod their children enjoy playing on the grass.

We discovered these customers view sod purchases much like people buying Christmas trees. Some individuals prefer the convenience and lower cost of buying a pre-cut tree from a local tree lot. Others prefer what to them is a more fulfilling on-farm experience, even making it a family outing. Whether it's Christmas trees, strawberries or turfgrass

sod, in marketing to these customers, we need to let them know they're welcome to drive to our farm to purchase sod.

Meanwhile, we need to let our traditional customers (landscapers and nurseries) know we're not under-cutting their prices because we charge retail customers the retail price. Our wholesale customers know it's business they are losing not because of price, but because of a different perceived value.

I also have learned that of the five "P's," price is the most important in determining a business' profitability. Price has to do with "selling." But from the marketing aspect, when determining your prices, product mix and service, you need to match the individual market segment (landscapers, ground maintenance, home builders, etc.) with the appropriate buying personality: 1) price, 2) value or 3) relationship. Then, target your marketing toward each specific market segment and type (personality) of buyer.

The price buyer views the price as the bottom line. The value buyer looks at the price, quality and service package. The relationship buyer places the most importance on doing business with a reputable company that offers high quality products and values relationships.

My marketing studies showed that by focusing on one or—at most—two of the buyer types, you can maximize your marketing effectiveness. If you try to serve all types, you are trying to be everything to all customers—a losing proposition that eliminates your differentiation in the minds of customers.

Marketing should position your company and your turfgrass sod sales to serve your customers. For example, in my market there are several large, established turf farms that do a very good job serving their builder clientele. I can't, nor do I want to, match their price and service for those customers. So, I look for customers and firms who value relationship and high quality turfgrass sod—which results in a higher return.

Like TPI Member Randy Graff points out, we must take off our farmer hats and put on our ag-business hats. Instead of "How much can you give me for my sod," we need to understand our strengths and maximize our profit potential for our niche of the



Shrewder Computing

Is Your Privacy Being Violated

Don't give out your home phone number to anyone you don't know. Why? Because, if you know where to go on the Web, it will take only .03 second to find your street address, city, state and zip, and a detailed map with directions to your house. Many people are unaware of this danger, which is why a bank recently advised eliminating home phone numbers from personal checks.

Want to find out more? Simply go to the Web address www.google.com and type in your telephone number (separated by hyphens, including area code) and click on "Google Search," and see what happens. If your phone number is listed it will show your name and complete address and give you two map options: Yahoo and MapQuest.

Find out how accurate the map is to your home. In the age of the internet communication we all know the dangers of this—for adults and children!

Fortunately, there is a way to have your number removed. Google has made available an option that will allow anyone to remove their telephone number from the database that is linked to the mapping feature. You will first need to check whether your number is listed in this manner by attempting a search. If your number appears in the mapping database, an icon resembling a telephone will appear next to the first or second entry on the results page. Clicking on this icon will take you to a page containing a description of the service, and a link to request your number be removed from the database. It will also give you additional information for various searches.

To date, unlisted phone numbers and cell phone numbers, do not show up. Happy searching! Be safe!



TPI Action

2003 TPI Annual Business Meeting
9:00 am, Friday, July 25
Crowne Plaza Hotel, Dayton, OH

TPI Bylaws Amendment Voting Deadline: June 30

All voting (Class A – Producer) members have until June 30 to cast their vote on a TPI Bylaw Amendment that would modify the quorum required for the annual business meeting. Rather than requiring 10% of all voting members (present either in person or by proxy), the amendment defines the quorum as a majority of those present in person or by proxy. This amendment is seen as a means of ensuring that the business meeting can be formal and official.

April Press Coverage Highest in TPI's History

April traditionally brings high press coverage for TPI due to the seasonal nature of the turfgrass industry. Placement numbers from April 2003, however, far surpassed those from previous years by hitting an all-time high of nearly seven million people, with 121 articles in 105 publications. In comparison, 4.2 million people viewed TPI placements in April 2002 and only 837,000 people viewed those in April 2001. More information about this historical jump can be found in the July/August issue of *Turf News*' "Association News" section.

Spain/Portugal Tour Sign-up Deadline: June 30

Interest continues to build for TPI's October 25 to November 10 study tour of Spain and Portugal, with local host farms and businesses already finalizing plans to welcome TPI visitors from around the world. Currently, group flights are designated for Chicago and New York, but flights for members from anywhere in the world can be identified and arrangements made. A complete reservation form and deposit must be received at TPI by the June 30 deadline to ensure a place on this tour. Participation will be limited on a first-come, first-served basis.

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

Listen to Mother Nature

Mother nature is a wonderful teacher, if only we'd learn to observe the lessons taught, such as grass actually requires less water than trees. The major grasslands of the world are in low-rainfall areas, while the forested areas tend to be in higher rainfall areas.

In addition to its aesthetic benefit that does have value, grass areas that are properly designed, installed and maintained also provide the environmental benefits of erosion control and dust reduction, rain water cleansing and air pollution control. It is the safest and most cost-efficient play surface available, and it increases social harmony and community pride. Removing grass areas will reduce or eliminate these important environmental benefits, creating serious health and other significant problems that will be costly to undo.

Parks managers, homeowners and business owners can and should be encouraged to maintain a practical and reasonable amount of turf area, even in times of drought. By following a few simple and straight forward management techniques that have been developed over the years by various institutions, people will be able to simultaneously enjoy the beauty and environmental benefits of a lawn.



Business Management

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