



# BUSINESS MANAGEMENT

AMERICAN SOD PRODUCERS ASSOCIATION

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DECEMBER, 1989 / JANUARY, 1990

## MIDWINTER CONFERENCE - FEB. 14-16

### OFFERS EDUCATION, EXHIBITS AND FUN

Covering everything from public relations to production and weed control to drought tolerance, ASPA's 1990 Midwinter Conference offers educational programs for everyone involved in the turfgrass sod production industry. A total of 21 speakers will make 25 separate presentations during the educational sessions.

In addition to education, a record-breaking number of exhibitors are expected for the three-day event. Because of the increase in first-time exhibiting firms, a wider variety of equipment and services will be on display. Details of exhibitor plans will be presented in the January/February issue of "Turf News" magazine.

For fun, ASPA members and guests will be able to enjoy all of the Disney World activities right outside the hotel's doors. They will also be treated to a special evening Thursday with a banquet featuring the diverse musical talents of "Fall Guys & A Gal." The group will provide reception and dinner music, followed by a stage show and dancing.

Everyone...members, exhibitors, guests and friends...is encouraged to register as soon as possible and make reservations with the Disney World Hilton Hotel because the rooms are sure to sell-out. Meeting registration and hotel reservation information has been in the last two issues of "Turf News" as well as being sent to all members. Additional materials will be sent immediately upon request by calling 708/705-9898.

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SEE PAGE 4 FOR NEWS ON ASPA'S NEW LEGISLATIVE EFFORTS TO INCLUDE  
TURFGRASS AS A GLOBAL WARMING SOLUTION.

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NEW HOME LOT SIZES  
REPORTED SMALLER IN U.S.

For the first time since 1982, median lot sizes for new homes in the U.S. have gotten smaller, dropping in one year from a median of 9,295 square feet to 9,225 square feet, a decrease of 0.7%. While the median figure is not effected by extremely high or low numbers, by identifying the middle figure when all entries are arrayed from highest to lowest, the average lot size reported by the National Home Builders Association (NHBA) shows an even greater decline. According to NHBA, the average lot size shrank from 17,600 square feet to 14,220, a loss of 19.2%.

The study also noted that while the lot size is shrinking, the homes being placed on the lot is getting larger, further reducing the available space surrounding the structure.

The obvious relationship between lot size and turfgrass sod sales potentials will be of concern to sod producers.

NOTE TO ASPA MEMBERS: As announced in the August/September issue of "Business Management," members may call ASPA at 708/705-9898 to obtain the latest available NHBA statistics for home building permits and employment figures for their market area. There is no cost for this service.

SOD PRICES PROBABLY NOT  
KEEPING PACE WITH INFLATION

Sod that sold for \$1.00 a square yard in 1970 would have to be priced at \$3.18 in 1989 to account for inflation caused dollar value shrinkage, according to a guide developed by the National Chamber Foundation. Most sod markets have not enjoyed this level of price increases, thus making turfgrass sod one of the best buys available to homeowners and builders.

The following yearly multipliers will show how many 1989 dollars are needed to match the purchasing power of an earlier year's dollar:

<u>Year</u>	<u>Multiplier</u>	<u>Year</u>	<u>Multiplier</u>	<u>Year</u>	<u>Multiplier</u>
1966	3.81	1974	2.51	1982	1.28
1967	3.71	1975	2.30	1983	1.25
1968	3.56	1976	2.18	1984	1.19
1969	3.37	1977	2.04	1985	1.15
1970	3.18	1978	1.90	1986	1.13
1971	3.06	1979	1.71	1987	1.09
1972	2.95	1980	1.50	1988	1.05
1973	2.79	1981	1.36	1989	1.00

Another example of the guides use would be a profit of \$50,000 in 1979 would have to be \$85,500 in 1989 to equal the purchasing power. Land selling for \$1,000 an acre in 1969 would have to sell for \$3,370 in 1989 just to recover the investment.

SAVE THE WORLD, PLANT MORE GRASS!

Prepared by Ron Nixon, Chairman  
ASPA Business Management Committee

I have been in the turfgrass sod business a long time. I have seen our product used in every way imaginable, from controlling soil erosion on highway construction, to housing projects, to providing a safe place to play on ballfields and playgrounds, to seeing aesthetic effects from turfgrass sod around our homes.

After reading "Lawn & Sports Turf Benefits," by Eliot and Beverly Roberts of The Lawn Institute...the booklet mailed to you by ASPA...I realized how much more I have to learn. Turfgrass is not only nice to have, but very necessary for the perpetuation of our environment.

The release of oxygen, the reduction of carbon dioxide, the reduction of dust in the air, the cooling of the temperature are all things that we as human beings cannot physically live without. The beauty and comfort that turfgrass, along with trees, shrubs and flowers provide is what makes life worth living.

Our world has some serious problems and the increased planting of turfgrass could go a long way toward solving things like global warming, clean groundwater and breathable air.

What kind of corporate citizens would we be if we had answers for many environmental problems, but would not inform the rest of society? Not very good citizens indeed.

There are mis-informed people telling untruths about turfgrass being bad for the environment and if you do not do something to counter act their statements, they may very well succeed. It is up to you to get the message out about what turfgrass can do for the environment. There is a need for you to speak up in your local area. A great resource in helping you to speak out about these issues is the journal ASPA is now publishing title, "Turfgrass Environment." You will not be tooting your own horn, but instead telling truths about turfgrass.

It is a very good feeling to be involved in a business that is so good for our environment.

MEMBER MARKETING TIP:

"As a way to develop new customers who have never bought sod from you before, make up a 'coupon' that is good for one free pallet of sod. Include a requirement of a certain minimum order amount (whatever will insure that you at least break-even on the deal) and have your sales-people distribute them to prospective customers." John McPhail, Gold Star Sod Farms.



ASPA OFFERS FEDERAL LEGISLATORS  
TURFGRASS AS A GLOBAL WARMING SOLUTION

In a bold new move for ASPA, the Board of Trustees voted at its Fall meeting to authorize its Washington, D.C. law and lobbying firm to proceed with an effort to include turfgrass sod in legislation designed to offer solutions to global warming and particularly the so-called "urban heat-island" effect through the use of turfgrass. While the cost of the effort may well create a fiscal-year deficit for ASPA, Past President Ed Davis asked during the Board's debate of the issue, "Do we have enough vision to wait three or four years to see this action yield very positive results, or are we limited to balancing the budget at year end?" Following more than five hours of discussion, authorization to proceed was positively voted.

Concern over scientific data that shows the earth's temperature is rising as a result of trapped gases resulting from fossil fuel burning and other components, has caused a number of U.S. federal legislative measures to be introduced. One of the major solutions being suggested is the planting of millions of trees that could absorb the pollutant gases and release oxygen. Data assembled by ASPA and others clearly demonstrates that turfgrasses can also contribute to the solution; however, no other organization or business has taken the lead in bringing this to the legislators' attention.

Under ASPA's direction, members of the Washington, D.C. based law firm of Heron, Burchette, Ruckert and Rothwell, will now begin the long and involved process of introducing legislators to the positive benefits turf can provide. While the legislators ASPA's visiting delegation met with in September were very receptive to the concept, they pointed out the need for greater amounts of information and demonstrations of turf's benefits. To be included in any legislation that encourages the use of turfgrass, perhaps in conjunction with urban tree plantings, ASPA's representatives will have to convince legislative leaders in both political parties, and in both houses that turf can be a positive force.

Because of the large number of legislative measures on this subject being considered, and recognizing ASPA's limited resources, great care will be taken to identify those bills that are most likely to succeed through the law-making process. In addition, ASPA will attempt to secure a place for turf, similar to trees, that will ultimately authorize research and educational efforts, as well as some form of cost-sharing formulas for various projects.

Both direct and indirect benefits could come to the industry with the success of this endeavor. Greater public awareness of turf's benefits and direct monetary outlays, as well as improved research and educational tools should expand the overall market for sod and strengthen its place in the environmental-landscape market.

Some members have already been called upon to contact their personal Representatives or Senators to enlist support for ASPA's efforts and others will be required in the future. To succeed, an all-out, united campaign will be required and all ASPA members are asked to prepare themselves on the importance of turf and the environment by familiarizing themselves with the contents of the "Turfgrass Environment" publication as well as the Lawn Institute's "Sports and Lawn Turf Benefits" booklet.

PLEASE BE PREPARED TO RESPOND IMMEDIATELY SHOULD ASPA CALL UPON YOU FOR ASSISTANCE ON THIS VERY IMPORTANT ISSUE.