



BUSINESS MANAGEMENT

AMERICAN SOD PRODUCERS ASSOCIATION

1855-A HICKS ROAD
ROLLING MEADOWS, IL 60008

FIRST CLASS MAIL

U.S. POSTAGE

PAID

Rolling Meadows, IL 60008

Permit No. 662

Rush to:

FILE

APRIL / MAY, 1990

SPA EXPANDS ENVIRONMENTAL ACTIVITIES, 90-91 DUES INCREASE TO SUPPORT FUNDING

Turfgrass sod's environmental benefits will become more widely known and understood if ASPA's newly expanded program in this area is as effective as hoped. Along with measurable improvements to the environment, there should also be increased demand for the immediate benefits of turfgrass, as provided with sod. The 9-point plan announced during ASPA's Midwinter Conference in Orlando will be funded in part by a general dues increase scheduled to begin with renewals for the 1990-91 membership year.

Highlights of the 9-point plan include: production and distribution of at least one issue each year of an environmental benefits of turf publication; monitoring of federal legislative and regulatory issues; distribution of at least six professionally written articles each year to all garden writers; expanded research funding for projects that examine environmentally related issues; promotion of turf's benefits to allied professional associations, environmentally based groups and water conservationists and increased dissemination of information to ASPA members on turf's environmental benefits.

Membership renewal notices that will be mailed in the near future will reflect an increase in overall rates as well as an adjustment of farm sizes by having four rather than three acreage classifications. Dues rates will be higher for larger farms, based on the philosophy that the environmental activities programs will provide each operation benefits more closely related to acreage than many previous programs.

TRUCKING PROBLEMS EXPAND...
ASPA SEEKS MEMBERS' EXPERIENCES & SOLUTIONS

Load securing (including side-walls or stakes and pallet fastening), driver testing, farm truck plates and overall length and weights were just a few of the problems ASPA members reported during the recent Midwinter ASPA Reps meeting. There was a clear consensus that while the problems are expanding, there may also be instances of 'over-eager' enforcement by less than technically knowledgeable officials.

Send a brief statement of your trucking problems and solutions to ASPA so they can be compiled and analyzed from an industry-wide perspective. Because of many jurisdictional questions, a single solution may not be feasible; however, a positive solution in one area may become a positive precedent in another.

Anyone with a "bad" experience in this area should simply write out the facts of the situation, giving as much detail as possible. In addition to the initial problem, include how it was resolved...good or bad.

Please send all information to ASPA, 1855-A Hicks Road
Rolling Meadows, IL 60008.

ATRAZINE CLASSIFIED 'RESTRICTED'
BY NEW EPA ACTIONS, MORE MAY FOLLOW

Atrazine, a selective pre-emergent and post-emergent herbicide used on many warm-season turfgrasses, has been classified for restricted use by the Environmental Protection Agency (EPA) because of concerns over groundwater contamination and worker exposure.

Label changes, voluntarily taken by technical registrants of atrazine, will require mixers, loaders and applicators to wear protective clothing including long-sleeve shirts and trousers, chemical resistant gloves and waterproof boots. Mixers and loaders will also be required to wear goggles and face shields.

Mixing, loading and application of atrazine is prohibited within 50 feet of wells or sinkholes. Totally prohibited is the application of atrazine through any type of irrigation system. Apparently atrazine was detected in groundwater tests, in relatively small amounts, in approximately 25 states.

While these new label amendments are expected on the product by the 1991 growing season, EPA has noted that further restrictions are possible.

HOUSING AND EMPLOYMENT STATISTICS
AVAILABLE BY PHONE FROM ASPA

A call to the ASPA office will get any member the latest monthly figures for building permit activity, employment and unemployment numbers for most major market areas and all U.S. states. The initial report is prepared by the National Association of Home Builders.

MONEY ISN'T EVERYTHING

Prepared by Ron Nixon, Chairman
ASPA Business Management Committee

An article I read recently advocates that the green industry must substantially increase salaries to get and keep enough employees. Though a person must take home financial compensation to sustain his needs, I submit that the amount of salary paid is only part of the reason a person chooses to stay employed at a given business. If money is the sole motivator, the turfgrass sod industry would be hard hit, for there must be greater financial rewards elsewhere. Money is a very poor motivator because the financial needs will never be met, for the more money you have, the more you want. A person must enjoy his work to stay with it. He or she must find satisfication and pride in the accomplishment of the day's labor.

A job must not interfere or prohibit personal goals or affections, for if a person has to choose between his job or something that is more important to him, the job looses. But, if a job aids in accomplishing other areas of his life then you have a loyal, devoted employee. Though we cannot meet all needs of employees, there are some things we can do.

I have noticed that young people are employed on turfgrass farms to a great degree. The most motivated, talented, ambitious and upward bound young people want to go to college. They need earnings saved to pay tuition costs. Is there some way you can aid them in this, such as a payroll savings plan, end of season bonus or by offering scholarships?

A motivated person makes a better employee and one that you would like to have back next summer. An employee who quits to go to school at the end of the busy season does not draw unemployment benefits, as the person fired for lack of work might.

We have had a scholarship program for several years and it has become a source of pride for us. To see the recipients of our scholarships grow into productive adults in our society and know that we helped out in a small way, makes us feel good about ourselves and our business!

There is much flexibility allowed over employee assistance programs. They can be altered or stopped as needed. They can be set up to be funded only out of profits. Your accountant and lawyer must be consulted to discuss the benefits and liabilities of any program. Family members that are employees could also benefit from such programs. Why shouldn't a person's job add quality to their life?

MEMBER MARKETING TIP:

"High visibility is one of the keys to effective marketing. We have found that by making a 'sod' donation to our public television station's yearly auction, we project our company and product to thousands of people. This is a way to have a TV ad for practically no cost to the operation."

John McPhail, Business Management Committee Vice Chairman

1989 HOUSING MARKET SHOWS
REGIONAL EXTREMES UP & DOWN

Regional extremes in the U.S. housing market made the 1989 year-end national figures for construction of new homes, apartments and condos practically meaningless. While newly started dwelling units were eight percent below the 1988 national figure, Portland, Oregon topped the positive growth list with 44%, while the Anaheim/Santa Ana, California area closed-out the 25 most active areas with a decline of 36 percent.

F.W. Dodge's vice president and chief economist George A Christie noted, "Two regions, the Northeast and the South Atlantic, absorbed almost all of last year's overall 8 percent decline of residential building, suggesting that 1989's weakness had more to do with regional economic issues than with interest rates, which are pretty much the same around the nation." While many turfgrass sod producers have traditionally weighed future market potentials on interest rates and their effect on new housing loans, it is becoming apparent that many other factors must also be considered. One of the most promising tracking figures is employment and unemployment because it can foretell underlying economic strength of a particular area, even before interest rates have an effect.

According to the Dodge report, the following are the five areas with the greatest percentage of positive and negative change in new residential construction in 1989:

Positive Change Leaders: Portland, OR +44%; Baltimore, MD +29%; Las Vegas, NV +24%; New York, NY +15%; and Miami/Hialeah, FL +5%.

Negative Change Leaders: Anaheim/Santa Ana, CA -36%; Phoenix, AZ -33%; Philadelphia, PA/NJ -29%; Boston/Lawrence/Salem/Lowell/Brockton, MA -27%; Washington DC/MD/VA -26%.

BOLSTER YOUR BUSINESS...
IN GOOD TIMES OR BAD

Whether your particular market is heading up or down, some sound business practices can help improve the bottom line. Here are just a few suggestions gleaned from various business sources:

1. Act like an industry leader through actions and products
2. Increase rather than decrease advertising and promotional expenses, with creative, positive-message ads
3. Decrease your dependence on an individual client
4. Keep checking with your customers for their outlook on the future and their satisfaction with you
5. Check with your suppliers for changes they are experiencing or see coming
6. Keep top management in front of customers and new potentials
7. Rather than lower prices in a tight market, offer customers something more, of value to them...unconditional guarantee, timely delivery or an off-setting discount,
8. Keep quality in line with consumer demands...not everyone can afford an imported luxury car, but those who do will pay for the premium values they perceive.

IF YOU HAVE A MARKETING TIP, OR OTHER BUSINESS SUGGESTION, SEND IT TO
ASPA FOR POSSIBLE USE IN A FUTURE ISSUE OF THIS NEWSLETTER.

ASPA IS STRONG BECAUSE IT'S MEMBERS CONTRIBUTE TO ITS SUCCESS!