



BUSINESS MANAGEMENT

AMERICAN SOD PRODUCERS ASSOCIATION

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ASPA'S LAS VEGAS CONVENTION... A SURE BET FEBRUARY 5-7

In a city reknown for it's glitter and gambling, ASPA's Midwinter Conference, Exhibits and Pre-Conference Seminar offer all turfgrass sod producers a sure bet winner. Everyone registering for the meetings before December 31 can "win" even more by taking advantage of early registration discounts. Forms and details have been mailed to all members and printed as well in the November/December issue of "Turf News" magazine. Additional copies can be obtained by calling the ASPA office at 708/705-9898.

Highlighting the 1992 Convention will be special presentations on marketing, media relations and a diverse collection of agronomic and business related speakers.

An enlarged exhibit area will accommodate an ever-increasing number of firms who will offer specialized products and services to turfgrass sod producers. In addition, several firms will be offering "door prizes" that will be drawn during exhibit hours. Winners must be present to claim their prizes.

All of ASPA's Conference events will be housed in the beautiful Bally's Casino & Resort, located in the heart of the famous Las Vegas Strip that features a wide variety of top-name entertainment and attractions. Hotel reservations must be made directly with the hotel, no later than Januray 4 to assure space at the special convention rate.

This publication is designed to provide accurate and authoritative information in regard to the subject matter covered. It is provided with the understanding that this publisher is not engaged in rendering legal, accounting or other professional service. If legal advice or other expert assistance is required, the services of a competent professional person should be sought. Published bi-monthly for members of the American Sod Producers Association, under the auspices of the ASPA Business Management Committee. We invite your comments and recommendations.

F.W. DODGE SUGGESTS 10% HOUSING EXPANSION
TO LEAD 1992 RECOVERY FROM RECESSION

"Commercial building is about as bad as it is going to get, and it won't improve much in the near future. Publicly finance construction is as good as it can get and can't improve much until new programs are legislated. This means that the 1992 Outlook for total construction comes down to a matter of how much the housing market can deliver. In fact," noted George Chrisite, vice president and chief economist for McGraw-Hill's Construction Information Group, "there is little opportunity for near-term expansion in anything except single family housing."

By estimating a total of 950,000 housing units for 1992, a 10 percent increase for total contract value is expected, roughly half of first year gains for prior recession recoveries.

ASPA Members can obtain housing and employment statistics for their market area(s) by calling the ASPA Office at 708/705-9898. There is no charge for this membership service.

CUSTOMER SERVICE SURVEY
Could Improve Sales & Profits

Just about everyone considers product satisfaction as a part of service satisfaction, so it's important to know that your service aspects are where you want them to be...helping you create happy, repeat customers. By learning what's important to your customers and what their opinion is of your service operations, you can increase sales and ultimately profit.

The following survey form can be modified to your farm's specific interests, sent to your customers and the results tallied to determine what you need to do to improve.

=====

Dear Customer:

At The Very Best Sod Farm, we know service is important to you and your business. To help us improve, will you please take just a couple of minutes to complete this survey and mail it back to us, or drop it off at the office the next time you're in the neighborhood.

(1 = poor/unacceptable)
 (5 = best/outstanding)

SERVICE ITEM

RANKING of 1 to 5

NAME OF SOD FARM THAT PERFORMS THIS
 SERVICE BETTER...WHY?

=====

Order Acceptance Process

On-Time Delivery Consistency

Order Accuracy (quantity)

Condition of Sod on Delivery

On-site Pallet Spotting

Billing Accuracy

Response to Problems

=====

How can we improve our service to you?

=====

(Signature and Date.....Optional)



AMERICAN SOD PRODUCERS ASSOCIATION

The following products have been developed by ASPA Committee Members to assist in your marketing program. These items are available as a benefit only to ASPA members.

PUBLICATIONS

"TURF INSTALLATION GUIDE"

A four-color brochure that provides a step-by-step approach to the beauty and simplicity of turfgrass sod installation. Companion piece to "Why Are Most Lawns Now Sodded?" Can also be supported by the use of "Tech Sheets," to match your available varieties of sod. Specify flat or folded when ordering.

Price: \$75 for minimum order of 500; \$250 per 2000 piece unbroken box

"WHY ARE MOST LAWNS NOW SODDED?"

A four-color brochure that answers many of the common questions about turfgrass sodding and illustrates the beauty of instant lawns in a variety of applications. Companion piece to "Turf Installation Guide." Can also be supported by the use of "Tech Sheets," to match your available varieties of sod. Specify flat or folded when ordering.

Price: \$75 for minimum order of 500; \$250 per 2000 piece unbroken box

"THE DREAM LAWN IS YOURS IN HOURS WITH SOD"

A four-color brochure that describes the ease of lawn sodding and points out its superior characteristics as a beautiful, lasting ground cover. Specify flat or folded when ordering.

Price: \$75 for minimum order of 500; \$250 per 2000 piece unbroken box

"SELF-SCORING METHOD: HOW TO ESTABLISH YOUR LAWN"

A four-color brochure for use by customers to personally determine the advantages of turfgrass sodding over seeding or hydro-seeding lawn establishment methods. Can also be supported by use of "Tech Sheets" to match your available varieties of sod. Specify flat or folded when ordering.

Price: \$75 for minimum order of 500; \$250 per 2000 piece unbroken box

"CONTRACTOR ESTIMATOR for Turfgrass Sod and Seed Installation"

A simplified pricing worksheet contractors and turfgrass sod producers can use to determine the profitability of sod installation compared to seeding. Reverse side shows advantages of sodding over other establishment methods.

Price: \$5 for minimum order of 100; 500 sheet ream \$20

"TECH SHEETS"

Brief, concise descriptions of specifications and maintenance recommendations for eight leading turfgrass sod varieties — Bermudagrass, Bluegrass, Centipedegrass, Fine Fescue, Tall Fescue, Ryegrass, St. Augustinegrass and Zoysiagrass. Designed to accompany other fliers or used separately.

Price: \$15 for minimum order of 500 of any single variety

"GUIDELINE SPECIFICATIONS TO TURFGRASS SODDING"

A detailed guide for site specification writers; containing model specifications on turfgrass sod, grass sod selection, as well as installation and maintenance. Particularly useful to government purchasing agents, landscape architects and contractors.

Price: \$2 each; \$15 per order of 10

"JOURNAL OF ENVIRONMENTAL TURFGRASS" (1990 & 1991 editions)

ASPA publication providing information and tools designed to educate the public on the environmental benefits of turfgrass.

Price: \$3 each

"LAWN AND SPORTS TURF BENEFITS"

Produced by The Lawn Institute's Eliot and Beverly Roberts, this publication covers the areas in which turf benefits mankind and improves the environment.

Price: \$5 each

"FARMLAND & URBAN SOIL CONSERVATION RESULTING FROM CULTIVATED TURFGRASS"

This publication outlines the studies proving that turfgrass sod farming is not a soil depleting activity — but actually enhances the farmland upon which it is grown.

Price: \$2/each; \$15 per order of 10

"TURFGRASS SOD FARM EMPLOYEE HANDBOOK"

A guide to developing your own firm's employee handbook, with samples compiled from various members' firms. Numerous topics are covered including legal concerns regarding employees.

Price: \$5 each

AUDIO/VISUAL

"TURF'S CONTRIBUTIONS TO THE ENVIRONMENT" (35mm slide set)

Environmental benefits and inter-actions of turfgrass are carefully documented, and clearly illustrated in this unique slide-show prepared for ASPA by Dr. James Beard of Texas A&M University. Because of the slides' content, no additional script is required for their use.

Price: \$50 for complete set of 47 slides

ASPA PLAQUES

ASPA MEMBERSHIP PLAQUE OR ASPA ETHICS PLAQUE

Solid wood, 10-inch by 8-inch plaque, with brass plate designating Membership in ASPA or listing the Code of Ethics subscribed to by all ASPA Members.

Price: \$15 per plaque

ORDER FORM

ITEM		COST	QUANTITY ORDERED	YOUR COST
Turf Installation Guide	<input type="checkbox"/> Flat <input type="checkbox"/> Folded	\$75 for 500 or \$250 for 2000		
Why Are Most Lawns Now Sodded?	<input type="checkbox"/> Flat <input type="checkbox"/> Folded			
The Dream Lawn is Yours in Hours with Sod	<input type="checkbox"/> Flat <input type="checkbox"/> Folded			
Self-Scoring Method: How to Establish Your Lawn	<input type="checkbox"/> Flat <input type="checkbox"/> Folded			
Contract Estimator for Turfgrass Sod and Seed Installation		\$5 for 100 or \$20 for 500		
Tech Sheets	Bermudagrass	\$15 for 500 any single variety		
	Bluegrass			
	Centipedegrass			
	Fine Fescue			
	Ryegrass			
	St. Augustinegrass			
	Tall Fescue			
	Zoysiagrass			
Guideline Specifications to Turfgrass Sodding		\$2/ea.-\$15 for 10		
Journal of Environmental Turfgrass	<input type="checkbox"/> 1991 ed. <input type="checkbox"/> 1990 ed.	\$3/each		
Farmland & Urban Soil Conservation Resulting From Cultivated Turfgrass		\$2/each \$15 for 10		
Lawn & Sports Turf Benefits		\$5/each		
Turfgrass Sod Farm Employee Handbook		\$5/each		
Turf's Contribution to the Environment		\$50/set		
ASPA Membership Plaque		\$15/each		
Code of Ethics Plaque				
			*SHIPPING	\$
TOTAL PURCHASE				\$

*SHIPPING INFORMATION

For shipping charges, use the following:

U.S. Orders:

Under \$50 \$3
 \$51 - \$100 \$5
 \$101 - \$150 \$7
 \$151 - \$200 \$9
 \$201 - \$250 \$12
 over \$250..... \$18

CANADIAN & INTERNATIONAL ORDERS — leave the shipping section blank - you will be billed for shipping charges after shipment is sent.
 PLEASE CHECK THE FOLLOWING:

- ☐ Ship fastest method regardless of cost.
☐ Ship most economical method (approximately 8-10 weeks for delivery)

Charge to:

☐ Visa ☐ MasterCard ☐ American Express

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

Expiration Date _____

SIGNATURE _____

Ship to:

NAME _____

FIRM _____

ADDRESS _____

CITY _____

STATE/PROV _____

ZIP _____

Phone _____ / _____

ALL ORDERS MUST BE PREPAID. U.S. FUNDS ONLY.

Payment is not tax-deductible as a charitable contribution, but may be deductible as an ordinary and necessary business expense.

ADVERTISING AND PROMOTION

Prepared by William L. Campbell, Fairlawn Sod Nursery Limited
Lynden, Ontario, Canada

In these rough economic times, most of us are struggling with how to advertise effectively. Some may elect to cut spending as a way to reduce overall expenses. Others are seeking ways to make every ad dollar work harder. Here are some suggested guidelines:

1. Avoid Cutting Promotional Spending. Advertisers who maintained or increased their spending during the 1981-82 recession did well. They averaged higher sales during that period - and for the next three years - than companies that cut promotional spending.
2. Avoid Gimmicky and Clever Advertising. Center your message on the benefits and advantages of your product or service. Strong, message-oriented headlines that offer customers something for their money are better.
3. Stress Quality and Durability because customers want lots of value in a weak economy. But don't use the words "quality" and "durability" because they have degenerated into advertising cliches.
4. Do Some Advertising Research. Most of us cater to both a wholesale and a retail market. For each market, examine what works best. Strike a balance between yellow pages, direct mail, newspapers/trade magazines, billboards, trade shows, giveaways and just plain "pressing the flesh." For instance, too often we over-spend on yellow pages because the sales rep. makes it so easy.
5. When Using Printed Copy consider page location and position, color and statements that "grab." Also consider the most economical way of buying the space.
6. Keep In Mind That Perceptions Play a Major Role in a Weak Economy. If people believe money is going to be tight, they will behave as if it is, even if they have the money to spend. Your ads have to convince them your product is a wise investment.
7. Now Is The Time To Start Planning Your 1992 Promotions.

MEMBER MARKETING TIP -- "OVERCOMING THE WAL-MART SYNDROME"

Prepared by Wayne Thorson, Chairman Business Management Committee
Todd Valley Farms, Mead, Nebraska.

We've all encountered it! Everyday we and all consumers' are bombarded with slogans of; "We sell for less," "We will not be undersold," "Cheap, Cheap, Cheap," and so on. Buyers soak it up and the "Wal-Mart Syndrome," as I call it, spreads like the plague.

The "Wal-Mart Syndrome" is the belief that cheaper is better, no matter what. This philosophy may be fine when you are comparing apples to apples, but obviously, in the turfgrass sod industry, you're not.

As sod producers, we need a marketing strategy to cure this dreaded disease. Every chance we get, we need to emphasize that not all grass is created equal. We, as ASPA members, strive to go that extra mile to produce the highest quality turfgrass possible, using the latest techniques to insure that the sod our customers receive is the best grass for their lawns.

Use the ASPA name as a marketing tool. Every time the phone rings with someone wanting a price check, give them more than the price. Give them your explanation of why your sod is not of cheap quality. Use the ASPA

"Overcoming The Wal-Mart Syndrome" (Continued)

logo in your advertising, showing you belong to "THE" professional sod organization. Let people know you care enough for what you sell to belong to ASPA. Let them know quality is not cheap. If the sod industry is to remain strong, we must market quality turf at a profit. If we market cheap grass at a cheap price, we will be overcome by hydro-seeders, for they can sell "cheap grass" cheaper.

Read what John Ruskin wrote about quality and price. Remember this when you market your sod or buy your seed: "There is hardly anything in the world that some man cannot make a little worse and sell a little cheaper, and the people who consider price only are this man's lawful prey. It's unwise to pay too little. When you pay too much, you lose a little money--that is all. When you pay too little, you may lose everything, because the thing you bought was incapable of doing the thing it was bought to do. The common law of business balance prohibits paying a little and getting a lot--it can't be done. If you deal with the lowest bidder, it is well to add something for the risk you run. And if you do that you will have enough to pay for something better."

COST CUTS MOST EFFECTIVE PROFIT BUILDERBetter than Increased Sales or Reduced Prices

Cutting production costs can increase profits much more effectively than either increased sales or reduced prices. And cost controls are all in the hands of the producer. Here are a couple of examples.

Basic Assumption: 20% profit margin, after all costs.

\$1,000 in sales, minus \$800 costs, generates \$200 profits.

Increase Sales by 10%:

\$1,100 in sales, minus \$880 of costs, generates \$220 profits (a 10% increase in profits).

Cut Costs by 10%:

\$1,000 in sales, minus \$720 of costs, generates \$280 profits (four times the increased profit compared to the 10% sales increase).

Easily the worst possible, but most frequently seen activity in a down economy is price cutting. It also has the most devastating effects on the operation's profitability. Consider this example, using the same basic assumption of sales, costs and profitability:

Cut Price by 10%:

\$900 in sales, minus \$800 in costs, generates \$100 profits...a 50% decline of profits. Sales would have to double to generate the same amount of profits for the company. How often is that going to happen, particularly in a down market?

In a free-market-place economy, price fixing is obviously illegal. Any producer can sell his products for any price he chooses, at whatever level of profit or loss he finds acceptable. Many consumers will base their ultimate choice on price, especially if they think the products are comparable. Thus, to maintain profitability, the intelligent producer will first look toward controlling production costs. Costs are a function of many factors, but most are internally controlled and can be effectively used to maintain or increase profits.