



BUSINESS MANAGEMENT

AMERICAN SOD PRODUCERS ASSOCIATION

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Rush to:

FILE

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ASPA forms Ben Warren Foundation

Ben Warren was ASPA's founding president 26 years ago, and as of July 14, he became the namesake of a not-for-profit research and scholarship foundation dedicated exclusively to the special needs and interests of the turfgrass sod production industry. Formal announcement of the ASPA Ben Warren Memorial Foundation was made during the ASPA Annual Business Meeting in Nashville by Past President and long-time employee and friend of Mr. Warren, Walt Pemrick. Ben's widow, Dorothy Warren, has agreed to serve as honorary chairperson of the Foundation.

In announcing formation of the foundation, Pemrick encouraged everyone involved in the industry to support its growth through a personal or corporate contribution. A first-year endowment goal of \$100,000 was announced, with a three-year goal of at least \$300,000. A formal application has been filed with the IRS seeking not-for-profit status for the Foundation which will allow U.S. taxpayers a deduction for their donation.

\$12,500 Donated Immediately to Endowment Goal

No sooner had Pemrick made the formal announcement of the Foundation when two contributions were made to kick-off the fund-raising campaign. On behalf of Warren's Turf Nursery, Herb Hadley presented a check for \$7,500 and Dale Habenicht, representing the Sod Growers Association of Mid-America, came forward with a check for \$5,000. Very quickly, the concept of each ASPA member donating the value of one truck load of sod to the Foundation became the focus of the industry-wide fund drive.

Contributions to the Foundation should be made payable to the "ASPA Ben Warren Memorial Foundation," and mailed immediately to the ASPA Office at 1855-A Hicks Road, Rolling Meadows, IL 60008. All contributors will be recognized in "Turf News" magazine. Contributions of \$1,000 or more may be paid via a three-year pledge, with equal installments each year.

Collection service gets endorsement, ASPA members get discount prices

Collecting debts just got less expensive for ASPA members, and probably more effective than ever before.

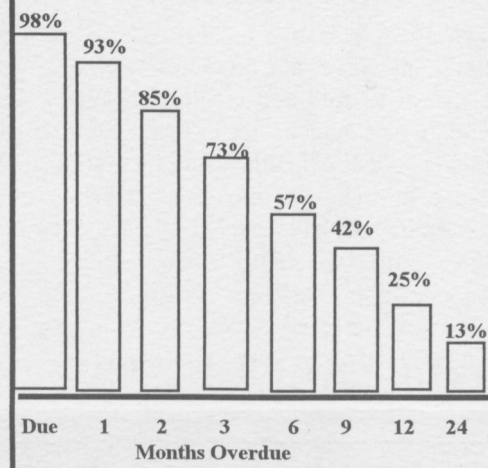
After reviewing several proposals, the ASPA Board of Trustees voted to formally endorse the Metairie, LA firm of Milliken & Michaels who became an ASPA Class B member last year.

In exchange for the endorsement, the firm reduced its competitive rates for ASPA members, while promising to maintain its exceptionally high standards of collection service.

Complete details of the company's collection service will be mailed to ASPA members in the near future, with the following schedule of fees for their service: 50% on balances \$250 and below; 33% on balances of \$251 to 1,499; 25% on balances of \$1,500 to \$9,999 and 18% on balances \$10,000 and above. ASPA's review of other firms showed these to be exceptionally low rates for positive action and service.

For immediate information from the firm, contact account executive Jill Dill at 1/800-735-6008 or 504/834-8800.

Waiting to collect debts costs you money. The Commercial Law League of America reports the following drop-offs:



3-Tier sales approach can eliminate commodity status

In today's turfgrass sod market, there's usually just one thing that makes or breaks the sale...PRICE. By taking a few pages from the sales books of other successful industries, maybe the turfgrass sod market can eliminate its commodity status and begin to sell on a basis that makes some real differences to both the producer and the customer.

One proven technique in many sales situations is to develop solution-oriented sales programs, each designed to address the specific concerns of the customer. If it works with purchasing agents / functional managers / owners, it can also work with landscape architects / landscape contractors and land owners, but as with any new approach, it will take some effort on the producer's part.

The basic concept of this three-tier approach is that specific solution-oriented sales programs, with separate brochures, materials and messages, are designed for each of the sales contact points being made. Here's just one example of this method:

Landscape Architects... focus on the technical details of your turfgrass sod, describing the types of grasses used, its dimensions, and factors such as water-use; pest resistance and adaptation to the given climate. Support your statements with research results of other documents.

Landscape Contractors... emphasize how your turf can solve problems for the contractor such as too much work, too few people and too little time. Show

how your sod will put profits into the firms immediately because the job will be done because you'll deliver in time, on time, spotting the pallets where they're going to be used. Offering installation services may be very attractive to many contractors.

Landowners... whether it's a business or residence, the owner will want to know how your sod will enhance the appearance of the property and how quickly it can be accomplished with sod. They won't usually care about the technical details of interest to an architect or the factors contractors find important.

It takes some effort, but eliminating the commodity status is worth it.

Dealing with subordinates Who seem to be problems

Before doing something rash with a subordinate who seems to be a problem, determine what the tangible cost is, if there isn't one, it's an annoyance, not a problem. Also, make sure you have made your own expectations very clear and that training is complete, offer feedback as a way to correct the problem.

Dr. Dixy Lee Ray, ASPA Midwinter Speaker: 'Climate not endangered by greenhouse gas'

Author of "Environmental Overkill," former governor of Washington, and announced keynote speaker at ASPA's January 20-22, Scottsdale, AZ, Midwinter Conference, says in the latest issue of "Boardroom Reports," that carbon dioxide and methane, so-called greenhouse gases do exist in larger con-

centrations than in preindustrial times, but that especially carbon dioxide is beneficial because it promotes plant growth and helps crops (and grass) resist the effects of drou-

Dr. Ray will address the ASPA audience at the Wyndham Paradise Resort, Thursday, January 20 in Scottsdale.

Taking Care Of Business

By Jack Oleson, Oleson Sod Co.
Cedar Falls, Iowa

Beware of the Occupational Safety And Health Administration

In 1991, a change in the U.S. federal laws, increased the maximum possible fines seven-fold for health and safety violations under the Occupational Safety and Health Administration. Since this change, increasing numbers of employers have been inspected and cited. In Iowa 1990-91 fines totalled \$1.4 million. In fiscal 1991-92, fines assessed increased to \$6.5 million. In the same period, fines contested went from 21 percent to 40 percent.

A local attorney here in Cedar Falls said 80 percent of the citations issued by OSHA inspectors against businesses do not hold up on appeal. The problem is not as much the regulations as the interpretation of them. The only way OSHA can inspect a company with nine or fewer employees is if a disgruntled employee files a complaint.

Employers are ultimately always responsible for safety in the workplace, even for carelessness by their employees. The more involvement employers have by getting their

employees involved, the more improved the safety is going to be for just about any business.

To give you some "real-world" examples of OSHA fine levels, here is a listing of some Iowa employers who have been inspected in the past year by the state and cited for OSHA violations, the proposed fine and status of their cases at the time of publication:

| Employer | Proposed Fine | Status |
|-------------------|---------------|--------------------|
| Atlas Painting | \$11,100 | Contested |
| Clay Equipment | \$57,060 | Contested |
| Eagle Tanning | \$12,150 | Reduced to \$7,000 |
| Sterling Tops | \$24,800 | Reduced to \$712 |
| Ron Weber & Assoc | \$ 5,950 | Reduced to \$2,300 |

Businesses caught In Independent Contractor trap

If the IRS determines that workers you declared were not independent contractors, but actually your employees, you can be help liable for several years of back taxes because you won't be able to rely on the statute of limitations.

A recent court ruling threw-out an employer's statute of limitation defense because, according to the court, Form 1099 (used to show payments to independent contractors) is not a tax return because it does not report tax liability. The statute of limitations applies only if appropriate tax returns are filed.

If you utilize independent contractors, a review of page 4 of the December/January, 1993 issue of ASPA's "Business Management" newsletter may be helpful to you because of its 20-factor test listing on this subject.

VOLUNTEERS WANTED:
ASPA's committees need
involved members to help plan for
the future. Call ASPA Today.

3 ASPA publications that can Help you manage your business

Helping you to better manage your turfgrass sod production business is one of the major benefits of membership in ASPA, but over the years, some of the more helpful items produced by ASPA sometimes get misplaced or forgotten.

Three ASPA publications every sod producer should have in their office or home libraries would be the following:

"Turfgrass Sod Farm Employee Handbook," (cost \$5 ea.) . This 48-page, 8 1/2 x 11-inch booklet presents actual samples of employee handbooks used on ASPA-member farms. The booklet was originally developed by the ASPA Business Management Committee and is very helpful to anyone drafting an employee handbook for their operation.

"Farmland & Urban Soil Conservation Resulting From Cultivated Turfgrass," (cost \$2 ea or 10 for \$15). This 10-page 8 1/2 x 11-inch booklet presents research findings and IRS documents to substantiate the fact that sod production does not destroy topsoil. Many members have found this publication very helpful when negotiating sod production land leases or in conducting discussions with environmental groups or governmental bodies.

"Federal & State Rulings Regarding Turfgrass Sod Production as an Agricultural Activity," (cost \$2 ea or 10 for \$15). This 28-page 8 1/2 x 11-inch booklet presents federal and many state precedents regarding sod's place in the agricultural scene. It includes information on taxes, employment laws/farm exemptions and many other items that sod producers address in their business operations every day. Because it includes specific citations for laws or previous court cases, it has been very beneficial in numerous legal situations and has saved both time and money because of the legal research that went into its production.

If you cannot locate your copy of these publications in your ASPA member binder, or elsewhere, or want additional copies for use with any outside group, they can be ordered by calling or writing the ASPA office. Credit cards may be used to order directly by phone and have the publication in your possession in less than a week.

The ASPA Office is located at 1855-A Hicks Road, Rolling Meadows, IL 60008. Phone 708/705-9898 or fax 708/705-8347.

ASPA Action

SOD PRODUCERS' INTERESTS BEING ADVANCED BY ASPA...

On a multitude of different fronts, ASPA is very actively representing the specific interests of turfgrass sod producers at the U.S. federal level, which very often becomes a precedent for similar actions in other locations. These highlights will help everyone understand the positions being taken by ASPA:

Wetlands and Sod being Defined as Agriculture: under the current U.S. Corps of Engineers regulations, turfgrass sod production is not defined as agriculture and thus is excluded from many of the provisions that make this entire matter more manageable. ASPA continues in its efforts to obtain a remedy and the most likely areas appears to be legislation that will reauthorize the Clean Water Act. Congress will soon be acting on this matter, and the sod industry's views will be represented by ASPA.

USDA's Economic Analysis of Green Industry: ASPA was one of 20 national and international organizations that joined together to urge U.S. Secretary of Agriculture Mike Espy to continue this valuable analysis of the green industry. Among the points made in this presentation was the important fact that green industry agriculture receives no federal program support, and while it doesn't want any such program (and the federal market intrusions that accompany it), the industry represents a very large segment of agriculture and should be provided economic analysis that will be useful to future planning.

'Adams Fruit' Case on Workers' Compensation: many ASPA members responded to a request to contact their state's Senators in support of federal legislation that will provide a permanent correction to a U.S. Supreme Court ruling that allows agricultural employees the opportunity to sue for unlimited damages for workplace injuries, even after receiving workers' comp payments. ASPA has been an active member of the WISE Coalition specifically formed to seek a permanent remedy to this practice. A companion bill is now in the House of Representatives and is also being supported by ASPA and WISE.

Opposition to Congressman Miller's "Agricultural Worker Protection Act of 1993" (H.R. 1173): working in concert with the National Council of Agricultural Employers, of which ASPA's executive director is a director and executive committee member, this burdensome legislation is being strongly opposed. Letters written to their Congressmen by ASPA members in opposition to this law were very helpful in showing the scope of concern. (See June/July "Business Management" newsletter for details.)

Other areas receiving attention from ASPA include implementation of new EPA worker protection standards, direct expensing limits being written into the new federal budget and the potential for sod farm disaster relief.

BEGIN MAKING YOUR PLANS FOR THE ASPA MIDWINTER CONFERENCE, January 20-22, 1994, Wyndham Paradise Resort, Scottsdale, Arizona

Keynote speaker Dr. Dixy Lee Ray (see article page two), will kick-off one of ASPA's most education-packed meetings in years. In addition to several sessions related to turfgrass and the environment, there will be sessions on marketing, agronomics and personnel management. A Pre-Conference Seminar on Turfgrass Marketing will be certain to attract members from around the world who are seeking new solutions to old sod-selling problems.

In addition, exhibitors will be on hand to show their top-of-the-line products and equipment improvements. An optional cost banquet will give everyone an opportunity to socialize in a uniquely Arizona setting.

Watch "Turf News" magazine and your mail for full details.

Encourage 'hustle' On your sod farm

At one farm, you'll see the entire staff working like a finely oiled machine, with everyone smoothly moving between tasks and getting the job done. Down the road, it seems that there's a wide-spread case of sleeping sickness because almost everyone is dragging around, not doing much of anything productive. Why the difference? Why is there "hustle" at one farm and not the next? How can you encourage higher levels of "hustle?"

Dr. Thomas L. Brown, a Louisville, KY management consultant suggests the following recommendations to get the most from your employees:

1. make sure they know what they are supposed to do...confusion leads to slow performance and is counter-productive.
2. match skills to the jobs or increase training...mismatched skills lead to anxiety and lower performance.
3. motivate with incentives... money, praise, recognition and new challenges will increase hustle.
4. make sure they know the consequences of failure...job loss, being the biggest personal item, but there's also an effect on the business.

Making sure your employees know they are expected to hustle is probably the item most often overlooked. Many managers and owners never explicitly state this as a requirement of the job!

Have you completed the ASPA Survey?

It's not too late for you to complete and return your 1993 ASPA Profile and Needs Assessment Survey.

If you need another copy of the survey, just call ASPA at 708/705-9898.

Your views are important.