

# Landscaping for Profit

## Kentucky GROW



## **The goals of this module are:**

To learn if professional landscaping is for you, and if so, how to start a home-based landscaping business.

## **What you need:**

- One copy of the program for each participant. Determine ahead of time if alternate formats such as enlarged print, Braille, or audio are available.

## **Time needed:**

This is a complex topic that cannot be presented completely in one hour. However, if time is limited, a one-hour presentation with handouts can be an introduction to the topic, with instruction on where to go for more information for those who desire to become professional landscapers.

## **How to prepare:**

This topic can be presented with a lecture only, but a more effective method might be to invite people who have their own businesses to give a presentation or participate in a panel discussion. These business owners can give invaluable insight and advice, and they might be willing to serve as mentors.

To have a successful landscape business, one must be a good landscaper as well as a good businessperson. This module assumes that the participants have a basic grasp of horticultural techniques and will be able to obtain basic business training from another source (see “Where to go from here”). In this module we will discuss the specific things related to landscape entrepreneurship that participants need to consider and do before starting this type of business.

## **The program:**

### **An Overview of the Profession**

**Landscape Maintenance.** These are the people who get their hands dirty maintaining residential and commercial landscapes. Sometimes they mow, but typically a lawn care company will do the mowing and the landscape maintainer will do everything else. Often called gardeners, these people trim shrubs, weed beds, replace dead plants, spray for insects and diseases (if licensed, more on that later), plant annuals, mulch, water, and anything else the homeowner needs. A broad horticultural knowledge is needed and no two days are ever alike. This is a good way to get started in the profession, as not much is needed in start-up equipment, and you can do the work by yourself. Specialization is possible in large population centers (example: roses or ponds).

**Landscape Contractor.** Contractors get their hands dirty, too, but they focus on the installation of landscapes. Working from a design (generated by them or someone else), they plant trees, shrubs, and flowers, and put in sprinkler systems, walks, decks, retaining walls, ponds, and other hardscaping. It is possible to specialize and do the work yourself, but more often a crew is needed to move heavy materials and to complete the job as quickly as possible. Along with knowledge of plants, a good landscape contractor has to know proper hardscaping techniques. You need heavy equipment to get started. This type of business can be run from a home office, but the neighbors may not appreciate you storing materials there or having crew members park their cars in the street every day. The work of a landscape contractor is physically hard; however, the monetary rewards (and risks) can be great.

**Landscape Design.** Unlike landscape architects, landscape designers are unlicensed and sometimes unschooled in design. They may be someone with a four-year degree in design or just someone who is very good at it and decides to make a living at it. Generally, designers know their plants better than architects and charge less for their designs.

**Landscape Architect.** Landscape architects are licensed designers. They have completed a 5-year college program and are licensed by the state. They charge more than designers do, but they are trained to deal with complex jobs such as large-scale commercial designs and regional land use planning. The tools needed to get started are not expensive, and they can easily work out of a home office.

**Other Related Fields:** Grower, arborist, pest control, irrigation installation, and tree trimming are some of the other professions that support and complement the landscape profession.

## Do You Have What It Takes?

It is a given that landscaping is a physically demanding profession, involving long hours and a lot of stress. Just because you like to garden doesn't mean that it is the job for you. Think about these questions before you jump in (Questions from *How to Start a Home-based Landscaping Business*).

1. *Do you like working with people?* You will need grace under fire, diplomacy under difficult conditions, and the ability to work with all kinds of people. If you have been unreliable in other areas of your life, shape up now or plan on losing lots of customers. It's not just about the plants. It's about making people happy.
2. *Do you have abundant energy?* From March until July, landscaping is from dawn to dusk just to keep on top of things. Plan on all day Saturday and part of Sunday, too. The other months will be slower, usually down to 50 hours a week, and when not on a job, you will be maintaining equipment, catching up on calls, updating horticulture and business skills, forging new contacts, working on financial statements, and digging up more work. You must have the mental strength to be able to plow ahead when you're tired. Don't count on getting your own yard into shape until June or even July.
3. *Are you a self-starter?* Very important, as there will be no one to watch over you to make sure the work gets done (although now, instead of having just one boss, every customer is now your boss). Or, think of it this way: no work, no pay.
4. *Can you handle many tasks at once?* It would be nice if you could go cleanly from one job to the next, but more likely other circumstances will intervene and you will be balancing many jobs at once. For example, on Monday you have to sketch a design for Mrs. Jones, find out why Mr. Smith's bushes are dying, meet with Mrs. Brown on redoing her lawn, and on the way to an installation pick up plants at the wholesale nursery for another job. Some people like the variety, and some do not. If you don't, this profession probably isn't for you.
5. *Can you think on your feet?* All day long people will expect quick answers, whether it is a price quote or a disease diagnosis, and many problems can be averted if you think ahead. If you have to get back to someone with an answer, you may lose the job.
6. *Are you a good listener?* This is critical skill that will win you customers for life and will make all jobs easier.

7. *Are you a team player?* Even if you work by yourself, you must be able to work with clients, subcontractors, general contractors, and suppliers. Many jobs come your way from referrals from these people, plus it just makes the work more pleasant for you.
8. *Do you have a positive attitude?* We all have bad days, but presenting a positive attitude to your customers is important. No one wants to be around someone who complains all the time.
9. *Do you have a sense of humor?* This really comes in handy when you're racing to be on time for a job and the truck breaks down. Or the dog digs up and damages the 14 flats of impatiens you planted that morning. Or someone drops you for someone cheaper.
10. *What are your physical strengths and needs?* As a landscape maintainer or contractor, you've got to be able to lift heavy weights, dig holes all day, bend and stoop endlessly, and pull weeds on your hands and knees. In short, there is a lot of exertion involved in this kind of work. Allergies to pollen and mold, insect bites, and UV radiation can put a damper on the even the most physically fit. People with physical limitations should consider hiring employees to do these tasks (although **you** must have a good grasp on how to do them right) or look into landscape design or architecture, which require less physical work.

## Things to Think About Before Starting

**Define your scope of work.** The first thing customers will want to know is what you do and do not do. Although it is hard to turn down work when you are first starting, don't take work outside your scope of experience. This prevents you from getting into areas in which you have no expertise and therefore may not know how to price the work correctly, and who wants to be busy doing something else when the call comes in for your kind of work? Be truthful with your customers and refer them to someone else who can do the job better, faster, and probably cheaper.



Defining your scope of work also means doing some research into what sort of work there is in demand in your region. Are there a lot of new homes that need landscaping or will it be done by the developer? Will those new homeowners do their own maintenance? Is there a need for people who know how to keep ponds clean and clear? Are there a lot of older people who cannot maintain their flower gardens? Maybe there are lots of young, double-income professionals who don't have the time to even mow their grass.

On the other hand, don't limit yourself too much unless you already have a steady job. One woman in a medium-sized city takes care of just roses. She is really good at it, but it is only part-time work. This suits her just fine, and part-time work may suit you as well. Just make sure that there is enough work out there for you if you want to tend only herb gardens or do topiary for a living.

**Who will your clients be?** Once you settle on what you will do, research who will be buying your services. This allows you to target your advertising and market directly to them. The library has publications that can help you find out where those people live in your town, but odds are you already intuitively know where they live. Professional organizations may be able to give you a profile of the typical customer. Everyone thinks the rich are their customers, and they are, but odds are they hired their landscaping maintenance crews a long time ago, are happy with them, and will never switch. Middle-class earners have always done their own landscaping. Poor people, unfortunately, can't afford you. Where do you fit in? Is it the elderly? Is it the two-income family with lots of disposable income but no time? Is it the businessman that travels constantly? The woman whose daughter is getting married in the backyard next spring?

**How will you get work?** Where do your clients look when they need to hire someone to trim their trees? When just starting out, the newspaper classifieds are probably going to be your best bet, but many communities turn to free newspapers, fliers posted in grocery stores, or door-to-door sales. Yellow pages ads in the phone directory can be effective but expensive. Other ways to get the word out that you are in business include having a booth at a home show, leaving cards and fliers at related businesses, giving talks to garden clubs or service organizations, volunteering your talents at fundraisers, and going door to door with freebies.

Business people who look professional impress people. Gardeners and landscapers get dirty and sweaty as they do their work, but there are some things you can do to get the word out that you are not fly-by-night and therefore worthy of their hard-earned dollars. Get some nice signs for your truck or van with your phone number on it, and T-shirts or caps with your logo. You will get calls from people who saw your truck (and let's hope it's clean and minimally banged up), and suppliers will give you more respect if you are wearing the company T-shirt. Lawn signs erected while you're doing the job are a good idea, but make sure you have the permission of the client first. Ask them if you can leave the sign up for a few weeks after the job is done. When you come back to pick it up, check your work to see how it's doing.

Call past clients to see how your work is holding up and suggest other things you might be able to do for them. Join a professional organization and go to the social gatherings. Make friends with your suppliers and retail nurseries (ask to leave a big stack of cards at the desk). Ideally, by your second or third year you should be able to work on just

referrals and repeat business. Do a good job and take care of your customers, and they will send a lot of work your way.

**Where will your office be?** To start out, work out of your home if possible. You don't have to pay rent, and the U.S. government gives you a tax break based on what percentage of space your office occupies in your home. Check the IRS Publication 587 to be certain you qualify before claiming it.

Before setting up, check with the local zoning laws to make sure it is OK for you to have an office in your home. Odds are it will be permissible if you do not store planting stock or materials on the property, have clients or employees stopping by, or produce offensive sounds or smells. Large delivery trucks regularly dropping off mulch or pea gravel will not be tolerated either. Keep in mind that as if a customer sets foot on your property, you are held liable if anything happens to that person. Therefore, your insurance needs will change too.

If you decide to have an office off-site, look for a place with an outside area available to store materials such as plants, mulch, and equipment. Consider locating as close to your customer base as possible without giving yourself too much of a commute. Pick an office close to your wholesale nurseries and other suppliers, and have access to the main roads in the area.

**Will you hire employees?** This depends on the scope of your work. Employees make money for you, and unless you are successful in a high-earning specialty, they will be essential if you wish to grow your business. However, they come with a lot of responsibility, paperwork, and headaches. Definitely consult with your accountant and lawyer to make sure you have all the proper paperwork filled out.

Survey other businesses in your area to find out what they offer in pay and benefits. If you pay your employees too much, you will not be able to bid competitively on jobs. If you pay too little, you will have a hard time finding good workers. Many people hire on, thinking they want to work outside and get some exercise. Then they find out how hard the work is and quit without notice. Be prepared for high turnover, and treat the employees that do stay with respect, appreciation, and gratitude.

**What will you charge?** You must charge enough to cover your costs (direct, such as the plants, and indirect, such as your phone), your labor, taxes, and make a profit to boot. Again, survey other businesses to find out what they charge. They may not want to tell you, thinking you will underbid them and get all the work. Or they may tell you, but keep in mind that their indirect costs may be different for them. They may give their employees three weeks off a year. They may have a big loan to pay off. They might be a bare-bones operation. Their information will give you a range from which to start, but you need to sit down and come up with the figure for your own company. There are

some excellent publications geared to the horticulture industry that will help you to calculate what you need to charge to stay in business (see “Where to go from here”). Or talk to your accountant or business consultant.

Once you arrive at that figure, seriously take a look at it and see if people would be willing to pay that amount. You may live in an area that is economically depressed. If landscape contractors in your town charge \$25 an hour, do you think people would agree to pay you \$45 an hour? Can you travel to a better area? Get your plants cheaper? Make the truck last one more year? If you can't lower your price, maybe you should reconsider this choice of business.

Resist the urge to be the cheapest in town. This will attract the kind of customer who will fly away as soon as they get a better deal elsewhere, and the customers looking for quality work will be suspicious of your talents. Charge what you are worth, and stay firm. If your numbers are correct, you will get paid decent wages for a decent day's work. Remember, profit is your reward for taking on all the risk for starting a business, and it can be your seed money for growing your business. Never give your work away. You might as well just get a regular job and save yourself a lot of headaches.

### **A List of Things to Do Before Starting Your Own Business**

- Gather together what tools and equipment you'll need. Buy the best you can afford.

For a maintenance gardener:

Pick up truck, small to large. Four-wheel drive is not necessary, but the ability to occasionally pull a small trailer is a plus.

Pruning shears and holster, loppers, folding pruning saw, hedge shears, sharpening stone

Leaf rake, bow rake, push broom, dustpan

Square- and round-pointed shovels, spade, fork, trowel, mattock

Tarp, shade cloth (for transporting plants in an open truck), bushel basket or trash can

Wheelbarrow (spring for 2 wheels)

Drop spreader and tank sprayer (only if you have a pesticide applicator's license)

Hoe or other weeding implement

Heavy duty 5/8" hoses, nozzle, watering wand, watering can

8 foot ladder

Kneepads, gloves (leather and disposable latex), rain gear, goggles, ear protection, heavy boots, first-aid kit, insect repellent, poison ivy protection

For a landscape contractor:

Rent heavy equipment or sub out the work. Don't tie up your money in equipment you will rarely use.

Digging bar, shovels and spades, mattock, post hole digger.



Bow rake, wide grading rake, spring rake, flat shovel  
Large wheelbarrow  
Lawn roller, hand tamper  
Sledgehammer, stake driver  
Sighting level, 100-foot fiberglass measuring tape, 30-foot by 1-inch wide steel measuring tape  
Marking paint applicator, marking paint, pin flags in different colors, flagging tape  
Basic carpentry tools  
Tin snips, pry bars, vise-grip pliers, bolt and rebar cutters  
Truck, 1 ton, preferably a flat bed with solid plywood sideboards at least 2 feet tall with a toolbox and a piperack

- Set up phone service. Now that cell phone services can offer voice mail, land phones are an option. Do not use your personal phone to receive calls from your customers.
- Set up your office. A FAX machine (some are all-in-one FAX, copy machines, and printers) and a decent computer are hard to do without. Basic bookkeeping software is not expensive, but ask your accountant or bookkeeper set it up with you. Internet service is handy for researching and another way to keep in touch with your customers. Put off building a web site until you get bigger.
- Have a logo designed (a graphic artist does this, or you can pick out a simple logo at the print shop) and then have business cards and magnetic truck signs made. Purchase T-shirts and caps with logo on them.
- Find a good accountant and tell them you are starting a new business. If you don't know how, ask them how to keep proper records. Do your own books if possible, as you will have a better grasp on how you're doing than if handed a sheet with numbers on it. Ask advice about business entity (sole proprietorship, C corporation, S corporation, etc.). Consider having the accountant do your year-end taxes.
- Using the sources in "Where to go from here," write up your own contract, bid, estimate, subcontractor, receipt, and change order forms. Print them out on your computer or get them printed at a print shop.
- Hire an attorney familiar with new business start-up. Ask them to review all the previously mentioned documents. Ask their advice about which business entity best suits your goals.
- Consult with an insurance agent (call your professional organization for recommendations for agents familiar with this industry) and buy insurance. Check with local contractor licensing agency to see if a minimum of insurance coverage is required.
- Register your business with the county, city and state in which you have your office. Your name must be unique, so have a second choice in case someone else has already registered for it. Register (so you can later pay taxes) with any county in which you do business.
- Set up business checking and savings accounts, separate from your personal bank account. Order checks, a credit card, and an ATM card.

- Join a professional organization
- Call the county extension office for the next pesticide applicator’s training session and license exam. To apply **any chemical** to a client’s plants, you must be licensed by the State of Kentucky (regulations may vary from state to state). Yes, that means even applying over-the-counter chemicals such as Round-Up, Miracle-Gro, and Safer Insecticidal Soap. If you are caught applying chemicals without a license, you can be fined and lose your ability to do business.
- Last, but definitely not least, write a business plan before you buy one shovel. It is a lot of work, but it will help you to start on the right track. Plus, if you approach a bank for money, they will ask for a business plan.. See “Where to go from here,” for resources to help you pull it together.

### **Tips for Success**

1. *Communicate* with your customers. Contractors of all types are guilty of not returning calls and not showing up when they said they would. It is annoying for people to take a day off from work to meet with you and you call them to tell them you will be late. Or worse yet, you don’t call them at all. Tell them if you are having problems and how you are going to fix them. People are usually willing to be flexible if you just keep them informed.
2. *Listen* to your customers. They will depend on your professional judgement, but do what they want, not what you want. Clarify, clarify, clarify until you know exactly what they want.
3. Don’t stop and start projects. Leaving a customer with a ripped-up yard while you go and do another job is neither courteous nor professional. If you need to stop work for a few days while you wait for supplies or if the weather is not cooperating, tell them. Get back to the job as soon as you can.
4. Get it in writing, even if you are working for friends or close business associates. Contracts make everyone feel better and will reduce communication problems.
5. When it stops being rewarding and fun, get out. You’ve got to love what you’re doing or it will show in your work.

### **Accommodations for this program:**

Accommodations for Landscaping for Profit largely focus around physical accessibility of the location where this module is being taught and accessibility of the materials. Ensure that there is enough accessible parking for both cars and vans and that an accessible route is available between the parking lot and meeting room. Make certain that the restrooms are accessible for someone who might use a wheelchair or walker. It is also important to consider the layout of the meeting room. Provide non-glare, non-blinking lighting. Allow plenty of space between tables (at least 36”) so that people can easily move about the room. Also make sure that tables allow for adequate leg clearance (about

27”) for someone using a wheelchair. If the room is large, consider a microphone for the presenter to ensure that those with hearing impairments can fully participate. If requested, provide interpreter services and alternate formats of printed materials. Be flexible, creative, and listen to what the person who needs an accommodation requests. Odds are that he or she will have the best ideas about how to make sure that equal access is provided. Also, refer to the *Accessibility Checklist* included in this notebook for greater detail of physical accessibility guidelines.

## **Where to go from here:**

### Reading

*Accessible Gardening for People with Physical Disabilities, A Guide to Methods, Tools, and Plants*, Janeen Adil, Woodbine House, 1994.

*How to Start a Home-Based Landscaping Business*, Owen Dell, The Globe Pequot Press, 1997.

*Unlikely Entrepreneurs: A Complete Guide to Business Start-Ups for People with Disabilities and Chronic Health Conditions*, Roseanne Foley, North Peak Publishing, 1999.

*Guide to Operating a Successful Design/Build Business*, Associated Landscape Contractors of America, 1996.

*Guide to Operating a Successful Landscape Maintenance Business*, Associated Landscape Contractors of America, 1996.

*Landscape Business Forms*, National Landscape Association, 1996.

*Pricing for the Green Industry*, Frank Ross, Associated Landscape Contractors of America, 1997.

*Estimating for Landscape and Irrigation Contractors*, James Huston, Smith Huston, 1994.

*Landscape Designer and Estimators Guide*, 3<sup>rd</sup> ed., National Landscape Association, 1996.

*Landscape Estimating Methods*, Sylvia Hollman Fee, Robert S. Means, 1999.

One-Stop Business Licensing Program, Kentucky Secretary of State's Office, Frankfort, KY 40601, (502) 564-3490, [www.kysos.com](http://www.kysos.com).

Business Information Clearinghouse, 500 Mero St., 2200 Capital Plaza Tower, Frankfort, KY 40601, (800)626-2250, [www.edc.stat.ky.us](http://www.edc.stat.ky.us).

### Professional Organizations to Join

Association of Landscape Contractors of America, 150 Elden St., Suite 270, Herndon, VA 20170, (800)395-ALCA, or [www.alca.org](http://www.alca.org).

American Nursery and Landscape Association, 1000 Vermont Ave. NW, Suite 300, Washington, DC 20005, (202)789-2900 or [www.anla.org](http://www.anla.org).

Kentucky Nursery and Landscape Association, 350 Village Dr., Frankfort 40601, (502)848-0055, [www.knla.org](http://www.knla.org).

Central Kentucky Ornamental and Turf Association, 1140 Red Mile Place, Lexington, KY 40504, (859)257-5582.

Associated Builders and Contractors, Inc., Kentuckiana Chapter, 1810 Taylor Avenue, Louisville, KY 40213, (859) 231-8453 in Lexington, (502) 456-5200 in Louisville, (270) 683-2558 in Owensville or [www.kyanabc.com](http://www.kyanabc.com).

### Organizations to Help with Business Skills

Small Business Development Centers: located in many cities across Kentucky. For the center closest to you, call the Lexington center at (859)257-7668 or go to [www.sba.gov](http://www.sba.gov).

Women's Enterprise Institute, Midway College, 512 East Stephens Street, Midway, KY 40347. (859) 846-5800 or [www.meimidway.org](http://www.meimidway.org).

SCORE, Senior Corps of Retired Executives, Lexington (859)231-9902/Louisville (502)582-5976/Cincinnati (513)684-2812, or [www.score.org](http://www.score.org).

Community Ventures Corporation, Lexington (859)231-0054/Campbellsville (270)849-2323/Covington (859)291-0529, or [www.cvcky.org](http://www.cvcky.org).

This material is available in alternate formats. Contact Kentucky GROW for more information.