

A SUPPLEMENT TO

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Kubota

2024

# STATE OF THE INDUSTRY REPORT

The industry is holding steady while contending with inflation, labor and the effects of an election year.

Illustration by  
**CHRIS PHILPOT**

**A LOOK INSIDE:**

**S2**

### SPONSOR LETTER

Three questions to help you stay on the cutting edge in 2025

**S4**

### EXCLUSIVE RESEARCH

For the second straight year, the median and mean revenue was more than \$1 million.

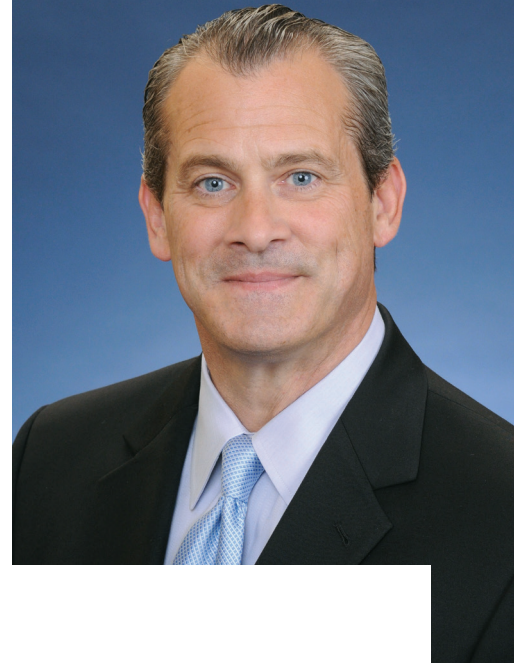
**S8**

### SEASON RECAP

Industry professionals continue to find ways to come out on the other end.



**Paul Manger**  
 Executive Director  
 of Product Marketing,  
 Kubota Tractor  
 Corporation



## Three questions to help you stay on the cutting edge in 2025

**N**o matter where you live and work, and no matter the size of your business, you remain concerned about increased operating costs, material prices, fuel costs and inflation. Controlling costs in an unpredictable environment has been increasingly difficult for most small- to medium-sized businesses. So, while you're not alone, there's little comfort in the unknown.

But the outlook ahead is not all doom and gloom. Despite ongoing inflation and interest rate uncertainty, the economy is growing — and the landscaping industry overall has remained resilient. What's more, there looks to be hope on the horizon for some interest rate relief which will hopefully relieve some pressure.

So, as we look ahead to 2025, we do so with some renewed, yet still cautious, optimism. If we've learned anything so far in the 2020s, it's to "hope for the best but prepare for the worst" while not abandoning our business plan and opportunistic growth mindset.

That's why the offseason is a good time of year to take stock of your needs and plan to close any gaps in your short- and long-term business goals. Here are a few questions to ponder as you plan ahead:

**1. What do you need to do to grow in 2025?** Make a list and prioritize it. Is it identifying new prospects, diversifying your services, doing more targeted marketing? Start small and work your way to the more challenging tactics.

**2. What will set you up for the most success?** Is it acquiring new talent, purchasing new equipment for your fleet, upgrading to new technology or making business infrastructure invest-

ments? The answer should help you prioritize efficiency so you can more swiftly achieve your goals.

**3. How do you need to adapt to ever-changing customer expectations?** Find ways to tap into your local market trends to pivot

wherever needed — is there continued popularity for drought-tolerant features, a trend toward more green space for native or edible grow-your-own-food gardening projects, and less hardscape projects? Let the trends help guide you to what's new and next.

Whatever your scenario, constant assessment, refinement and goal setting helps to overcome the potential threats to your business. That's how we do things at Kubota, and we do so with a philosophy we call "On Your Side," where we work alongside our employees, dealers and customers to achieve collective success.

That commitment to you starts by constantly introducing new products, dealer programs and service initiatives to help keep you working so you can get more done. For products, we are proud to offer a complete mower lineup that includes two award-winning mowers, the Kubota ZD1611 zero-turn mower and the Kubota F3710 front-mount mower, each recently recognized among "Top 20" new products and 'Editors' Choice' award programs. When added to the Kubota one-stop-shop fleet program, your dealer will have the newest award-winning equipment, backed by extraordinary service programs, ready for you to tackle the busy spring season ahead.

But first, start planning for 2025 with some gap assessments and refined goal setting— along with a strong equipment partner on your side — and you'll be set up for even greater success in 2025.

Sincerely,  
**Paul Manger**

## Money grows on perfectly cut field after perfectly cut field.

Keep your business growing with the Kubota Landscaping Lineup. High-performance Z Series mowers. Durable RTV-X utility vehicles. And a fleet program to help your business succeed.



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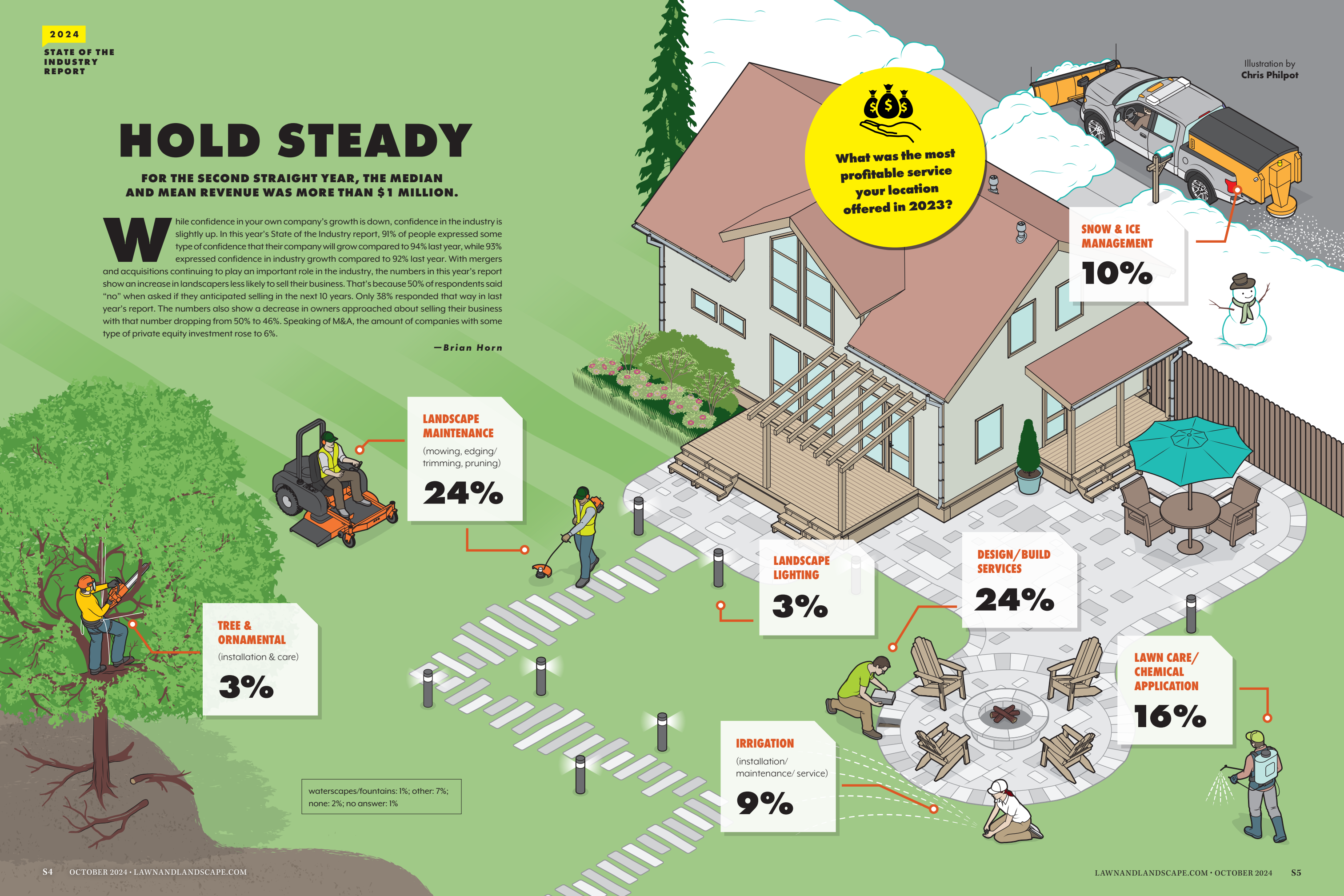
# HOLD STEADY

FOR THE SECOND STRAIGHT YEAR, THE MEDIAN AND MEAN REVENUE WAS MORE THAN \$1 MILLION.

While confidence in your own company's growth is down, confidence in the industry is slightly up. In this year's State of the Industry report, 91% of people expressed some type of confidence that their company will grow compared to 94% last year, while 93% expressed confidence in industry growth compared to 92% last year. With mergers and acquisitions continuing to play an important role in the industry, the numbers in this year's report show an increase in landscapers less likely to sell their business. That's because 50% of respondents said "no" when asked if they anticipated selling in the next 10 years. Only 38% responded that way in last year's report. The numbers also show a decrease in owners approached about selling their business with that number dropping from 50% to 46%. Speaking of M&A, the amount of companies with some type of private equity investment rose to 6%.

—Brian Horn

Illustration by Chris Philpot



What was the most profitable service your location offered in 2023?

**SNOW & ICE MANAGEMENT**  
**10%**

**LANDSCAPE MAINTENANCE**  
(mowing, edging/trimming, pruning)  
**24%**

**LANDSCAPE LIGHTING**  
**3%**

**DESIGN/BUILD SERVICES**  
**24%**

**LAWN CARE/CHEMICAL APPLICATION**  
**16%**

**IRRIGATION**  
(installation/maintenance/service)  
**9%**

**TREE & ORNAMENTAL**  
(installation & care)  
**3%**

waterscapes/fountains: 1%; other: 7%; none: 2%; no answer: 1%





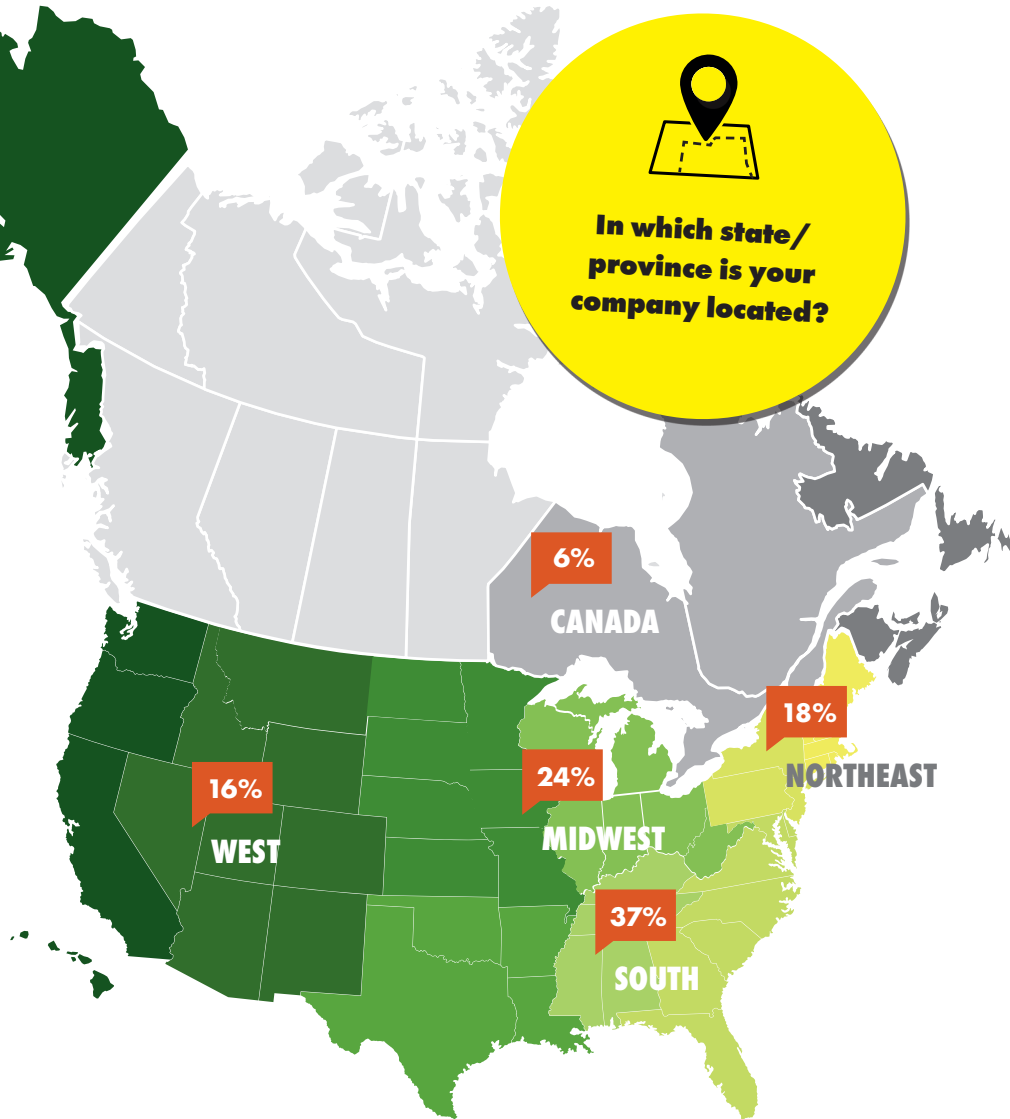
**SURVEY METHODOLOGY**

Data for this survey was collected from June 18 to July 10, 2024, and is based on 330 responses. The margin of error for percentages based on 330 landscape contractors/lawn care operators is ±5.3 percentage points at the 95% confidence level.

**MEAN:**  
The average of all respondents.

**MEDIAN:**  
The number in the middle where extreme outliers are removed.

Not all percentages add up to 100 due to rounding.



**NORTHEAST**

- New England (CT, MA, ME, NH, RI, VT) ..... 6%
- Middle Atlantic (NJ, NY, PA) ..... 12%

**SOUTH**

- South Atlantic (DC, DE, FL, GA, MD, NC, PR/VI, SC, VA, WV) ..... 24%
- East South Central (AL, KY, MS, TN) ..... 5%
- West South Central (AR, LA, OK, TX) ..... 8%

**MIDWEST**

- East North Central (IL, IN, MI, OH, WI) ..... 18%
- West North Central (IA, KS, MN, MO, NE, ND, SD) ..... 6%

**WEST**

- Mountain (AZ, CO, ID, MT, NM, NV, UT, WY) ..... 6%
- Pacific (AK, AS, CA, HI, OR, WA) ..... 10%

**CANADA**

- Atlantic Canada (NB, NL, NS, PE) ..... 1%
- Central Canada (ON, QC) ..... 3%
- Western Canada (AB, BC, MB, SK) ..... 2%

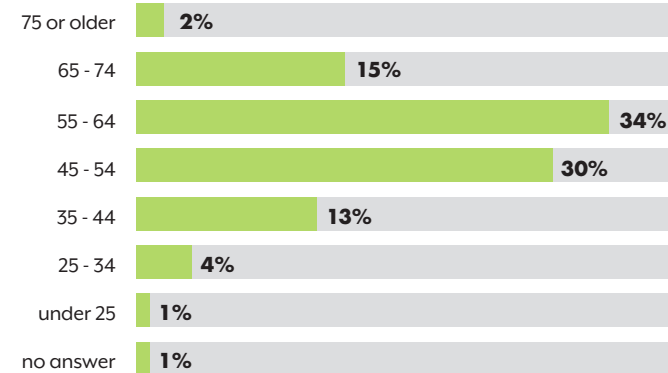
other foreign: 1%; other: 1%

**How many full-time, part-time and seasonal employees does your location currently have?**



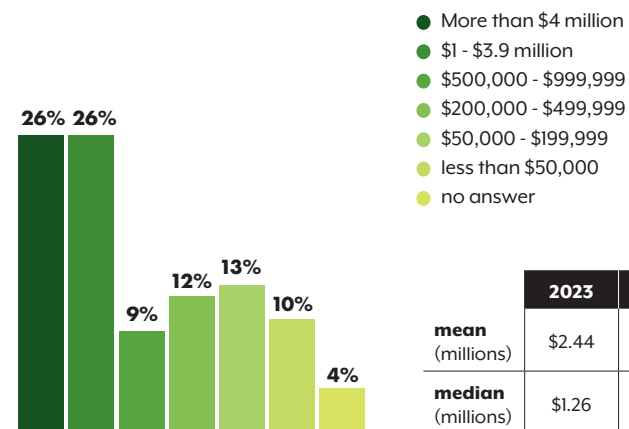
Total current employees: 51

**What is your age?**



mean: 55 | median:56

**Approximately what was your location's gross revenue in 2023 (in USD)?**



- More than \$4 million
- \$1 - \$3.9 million
- \$500,000 - \$999,999
- \$200,000 - \$499,999
- \$50,000 - \$199,999
- less than \$50,000
- no answer

	2023	2022
mean (millions)	\$2.44	\$2.32
median (millions)	\$1.26	\$1 million

**Which of the following services does your location currently offer?**



**87%**  
LAWN CARE/CHEMICAL APPLICATION



**82%**  
LANDSCAPE MAINTENANCE



**77%**  
LANDSCAPE DESIGN/CONSTRUCTION



**62%**  
IRRIGATION



**43%**  
SNOW AND ICE MANAGEMENT



# SEASON RECAP

**THE USUAL SUSPECTS LIKE LACK OF LABOR AND INFLATION HAVE MADE THE PAST 12 MONTHS CHALLENGING, BUT INDUSTRY PROFESSIONALS CONTINUE TO FIND WAYS TO COME OUT ON THE OTHER END.**

By Kim Lux and Jimmy Miller

## AARON WHITENER

president, ACE Outdoor Services, Flint, Mich.

**W**hitener says his biggest struggle is a universal dilemma for most — labor. His company has been fighting against it since the onset of the coronavirus pandemic.

“There’s always the employee challenge — that’s always there,” he says. “For us it’s been an ongoing rebuild since 2020. We got hit pretty hard up here... we already had our guys on lower hours with it being March and April, so we lost a lot of people. We’ve had to spend the last three years rebuilding our staffing and getting that retention back. That’s been a big challenge.”

Currently, the company has 120 employees with more on staff during the wintertime. ACE Outdoor Services reached \$10 million in revenue in 2023 and expects to grow in 2024.

“I feel like in 2024, it’s started to stabilize for us,” he says of the labor shortage. “We have way less turnover than in 2023. People just seem to be staying with us for a longer period of time.”

And while finding — and keeping — quality labor may have been the business’ biggest challenge, Whitener says it’s also been their biggest victory.

“I think retention has been the biggest win,” he says. “Having someone stay over one year is a good mark for us. They’ve seen both seasons, summer and winter, they’re still here and that’s a success for us.”

“It sounds cliché, but it’s all about customer retention and employee retention,” Whitener says. “Those are the two goals that we have this year. You’ve got to have good customers that fit our model, and we have to keep those customers in order to grow. To do that, we have to keep our employees who know the customers and know the contracts and keep them happy.”



**“I THINK RETENTION HAS BEEN THE BIGGEST WIN. HAVING SOMEONE STAY OVER ONE YEAR IS A GOOD MARK FOR US. THEY’VE SEEN BOTH SEASONS, SUMMER AND WINTER, THEY’RE STILL HERE AND THAT’S A SUCCESS FOR US.”**

— Aaron Whitener, ACE Outdoor Services

With more dependable employees on board, the next hurdle for ACE Outdoor Services becomes growing during a time where customers aren’t spending as freely.

“I think it’s just economics — people aren’t spending as much as they were in 2023,” Whitener says. “I think it’s just tightened up a little bit and they’re holding on to their money or putting it into other places but not their outdoor space...On the residential side, maintenance is good. In the enhancement world, there has been a slowdown a little bit. The work is still there; we’re just having to estimate more projects to get to the goals that we have.”

While Whitener says he is eager to put the upcoming presidential election behind him, he hopes that no matter the outcome, the doubt customers are feeling will go away — ideally, allowing for increased spending.

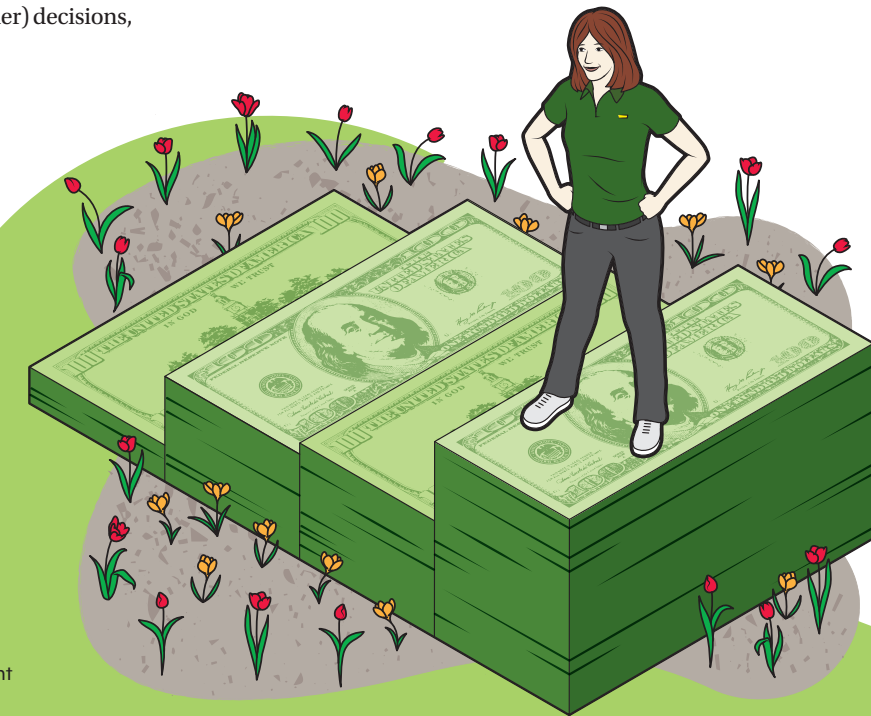
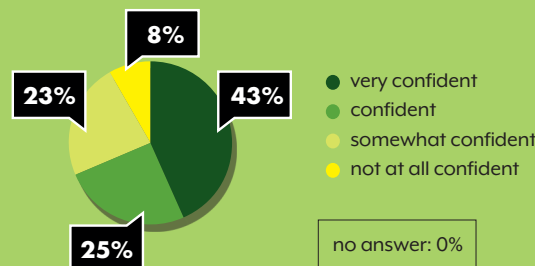
“It’s just same old, same old,” he says of it being an election year. “The market is going to do what it does. Whoever is in the White House, I don’t think affects (customer) decisions,

though that’s after the election.

Right now, I think it is impacting a little bit. I think it’s just the uncertainty that people are fearful of. Once we have that election over with, they will either go back to spending less frugally or they won’t. I’m hopeful that after the election they will be spending more.”

Nevertheless, Whitener says he expects good things for the company for the remainder of this year and in the future.

“We have a continual growth projection year-over-year that we’ll modify based on the economics we see in our market,” he explains. “Generally speaking, we plan to just forge ahead and make slow and steady growth. We do want to acquire some other companies if the opportunity arises in the market areas that we’re already in.”



ALL HEADSHOTS COURTESY OF RESPECTIVE COMPANIES

ILLUSTRATION: CHRIS PHILPOT



# ANNIE BAMBERGER

owner, Anniebam Landscape Solutions, Portland, Ore.

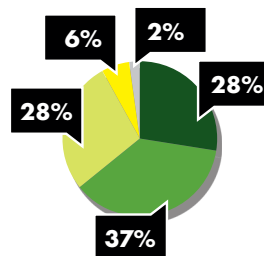
The Portland market, where Bamberger has worked for decades, has been seeing an increase in environmental regulations — specifically centered around the use of gas-powered equipment. While Anniebam has been using battery-powered equipment for 11 years now, Bamberger says she’s still not a proponent of the bans.

“In Portland, it’s only banned in the inner city,” she says. “But there are advocacy groups that are trying to get it banned statewide. I’ve been working with the advocacy groups that are pushing for gas-powered bans and emphasizing that I’m disappointed there are not good recycling programs in place. It drives me nuts.”

Bamberger says that without having proper recycling centers for the batteries, and the machines themselves, the bans will only create new environmental problems.

“I have multiple pieces of equipment that I can’t get worked on or recycled. We’ve asked the vendors where we should take

How confident are you that the national landscape industry will grow in overall revenue in 2024?



- very confident
- confident
- somewhat confident
- not at all confident
- no answer

the products to be recycled and there is nothing in place,” she says. “Some municipalities supposedly have battery recycling programs, but they still don’t take the body of the machine. In rural places, it’s even worse because they don’t even have recycling for plastic, let alone batteries. So, with those statewide bans, I’m 100% against them until the recycling component is part of it.”



Despite the battery battle, Bamberger says she has bigger issues on her plate, as Anniebam experienced its worst year in company history in 2023.

“Usually, we are around half a million dollars in revenue, but last year was only \$250,000,” she says. “That’s because I got rid of my installation crew.”

Without the installation crew, the company is down to three employees including Bamberger, who adds she’s back to subcontracting out her installs while keeping the design portion — something she’s done in the past.

“I’ve seen a cycle where after three years or so the head person on the install

crew feels like they can be a little more brazen and make decisions that are not aligned with the systems in place or they think they can just go start their own company and do better,” she says. “Though getting rid of the install crew was kind of a work-life balance decision, too.”

“I had a life experience where I lost a dear friend tragically, and it made me realize I don’t want to work so hard and I want to have a better work-life balance,” Bamberger adds.

Bamberger admits that it took a tough conversation with the last lead installer to push her into this decision, and she doesn’t regret it. Despite the difficulties, the landscape design and fine-gardening company is projected to rake in closer to \$350,000 in revenue this year.

“My approach is that we are a boutique experience,” she says. “We aren’t pumping out projects. We give the client a bigger value than another company may give them, and we charge appropriately for them. We aren’t the cheapest ones in the market but at the same time, we are a referral-only business... people seek me out because of what they’ve heard from their relatives, neighbors, coworkers — they say to go work with her.”

# Christian Wynne

talent collector/owner, Gordon Eadie Landscape & Design, Phoenixville, Pa.

**THE BIGGEST TREND WYNNE** says he’s noticed in his market is having to be more proactive when it comes to closing the deal. Gordon Eadie, which is about 60% design/build and 40% maintenance, earned \$5.5 million in revenue in 2023 despite the challenges the company faced.



“Now, we are having to do more order making as opposed to order taking,” Wynne explains. “I think you are really having to refine your sales process and really make sure you’re providing a strong value. I don’t believe it’s always price driven anymore. More often than not, it’s about what the deliverable is and how you set yourself apart from the rest of the industry.”

While the hesitation isn’t always price driven, Wynne does note that not only are customers spending less frequently — but they’re also extremely critical of any increases.

“The challenges are the same as the challenges for everyone — prices have gone through the roof,” he says. “It’s really hard to

explain to customers that mowers have gone up 35%, fuel is up, trucks are up, labor is up — across the board are costs have gone up substantially.”

Wynne adds he’d be lying if he said he wasn’t frustrated with customers’ perceptions of cost.

“It’s interesting to me that I as a consumer can go to the grocery store and go get gas and realize that everything is more expensive — but when it comes to landscaping, customers are asking us, ‘Why are your prices going up?’” he says.

Even with concentrating on efficiency, Wynne says Gordon Eadie was forced to raise prices. Thankfully, most customers have been understanding.

“We have had to do some price increases to cover these big fees,” he says. “But mostly we’re trying to educate the clients and explain to them that increasing the price isn’t making us more money — it’s just that the costs of doing business have gone up. About 25% don’t understand it. They don’t understand why their costs have gone up or they think we’re trying to take advantage of people. It’s a hard

conversation to have. You want to believe your client is educated enough to understand it’s that trickle-down effect.”

Wynne says he’s focused on the future for Gordon Eadie, and it’s looking bright for him and his 30 full-time employees.

“We are in growth mode right now,” he says. “Not because of the vanity of size, but for the opportunity to impact more of our men and keep them busy and give them the hours they need so they are able to take care of their families.”

Wynne says this growth will be achieved by listening to their clients and continuing to deliver the best service possible.

“I want to ensure we’re servicing our customers the best we can,” he says. “We’ve spent a lot of time in constant contact with them through surveys and reach out calls to try to understand what they need from us, how we can improve our service and what we can do better for the 2025 season.”



How concerned are you about the impact of each of these issues on your location’s business in the next three years?

5 - VERY CONCERNED

high fuel prices	3.5
quality labor shortage	3.5
high workers’ compensation costs	3.4
economic recession	3.4
high health insurance costs	3.3
low-ball competitors	3.2
difficulty raising prices for work	3.2
lower margins on work	3.1
customers cutting back/cancelling services	3
personal life stress	2.9
regulation of or ban on equipment noise/emissions	2.9
regulation of or ban on water/irrigation	2.9
supply chain issues	2.8
bad weather	2.8
regulation of or ban on pesticide/fertilizer use	2.8
difficulty generating quality leads	2.7
slow housing market	2.7
low consumer confidence	2.6
high fertilizer prices	2.6
delinquent payments	2.5
weed/insect/disease outbreaks	2.5
low access to capital	2.4
business lending/credit crunch	2.4
immigration regulations	2.3
housing foreclosures	2.2
H-2B program changes/challenges	1.8

1 - NOT CONCERNED AT ALL



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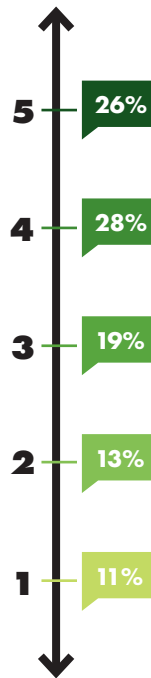
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**5**  
VERY CONCERNED



**1**  
NOT AT ALL CONCERNED

no answer: 1%

# BILL BUMGARDNER

general manager/owner,  
Bumgardners Landscape Management, Medford, Ore.

**H**e won't belabor the point — Bumgardner says finding employees is the number one challenge of working in landscaping today.



Nestled in southern Oregon about 45 minutes away from the California border, Bumgardner says his company's home base is the last major town before you head into the Golden State. The company offers comprehensive landscape management services for commercial and residential clients alike, though it focuses on residential. The company focuses on landscape maintenance but also offers enhancement, irrigation and lighting work, plus a fraction of the business is managing snow and ice.

Bumgardners Landscape Management has 23 full-time employees with six seasonal workers, but Bumgardner says the business is in the same boat as everyone else — finding new employees is a struggle.

He's turned to H-2B as the solution, which he views as an essential part of running his company. He petitions for six workers and has received them the last few years. Bumgardner says this last year was great for H-2B, and they've been able to even get the same workers back over the last several summers.

"That helps keep us afloat; we really need them," he says. "It's just like everyone else: We're challenged with finding good workers that fit into our culture, that show up. Our market is fairly small down here, so there's only a few other major landscape companies that we compete with, so that makes it more competitive."

Bumgardner says this is one area of the industry's that's stabilized since the pandemic. "About three years ago? Oh man," he says. "It was horrible. We didn't get some of our people until halfway through the season."

He says the struggle is in making blue-collar work "cool again," though Bumgardner has combatted it with increasing wages over the last 12 months to be even more competitive with those in the area. He uses a consultant who helped him check what benefits and pay others in the area were offering.



ILLUSTRATION: CHRIS PHILPOT

The information from his competitors is online and publicly available, though it's a matter of spending the time to dig deep in the research. Determining pay is also made easier by H-2B's prevailing wage policy, and Bumgardner or anyone using H-2B is not allowed to pay American workers less than they pay the H-2B workers.

Bumgardner says this is all a slow process, not a silver bullet, but it's helped them also be more selective in who they bring aboard.

"Oregon's fairly pricey," he says. "The labor wages are just really high, but we've had to do it to maintain good folks and acquire good folks."

Bumgardner has noticed quite the financial squeeze around operational costs. That's anything from fuel to materials. While it's a frustrating endeavor trying to navigate those increased prices, he sees a silver lining.

"I guess the positive from that is it just makes you focus on investing in your equipment, really thinking about strategizing, optimizing our routes, negotiating with some of our suppliers for better pricing, payment plans for some of the materials," Bumgardner says.

Another significant thing that's different from last year is customer expectations, though it all comes from that same spot — things getting more expensive. "They're kind of feeling the squeeze, too," he says. "It's their money, so they could definitely critique our work more. It makes us focus more on quality. That's the positive."

Bumgardner likened the last five years to a client gold rush. "It was like a telethon at our place. Nobody was concerned with the pricing," he says. Now, customers are calling to find ways to keep prices down. Bumgardner says it's been a challenge finding ways to offer more value to his clients. That's come down to customer relationships, which can be challenging when they are commercial accounts that are managed from afar.

"We've been proactive in communicating with them what needs done and why so we don't surprise them on the bill," he says. "(Inflation) makes us work on our relationships better. The clients are trying to save money just as much as we are."

# Andrea Henning

owner, Henning Landscape Management, Burlington, Wis.

## IT'S BEEN A SLOWER YEAR FOR

Henning Landscape Management, which hovers around \$1.1 million in revenue and employs four people.

Andrea Henning, the company's owner, says the phone's not ringing quite like it did during COVID-19. While this year hasn't been a bust, the pandemic was quite the boon, and



now the leads are falling back down to earth.

"This year is definitely noticeably slower with leads and stuff coming in," she says. "We still have plenty of work throughout the year, but

the phone is definitely a lot slower."

Henning says she's a positive person, but it's hard to come up with reasons for optimism after a tough year. For starters, it doesn't help that she's dealt with troubling weather. "If we go a week without having torrential rain, it's like a miracle," she says.

Inflation has hit Henning as well. She says she's not sure how they'll update two trucks they've had since 2015 because everything's too expensive. Meanwhile, she's contending with wage inflation and high competition from companies like Amazon and Uline that are in the area paying decent wages, too. They've cut down on payroll but only because they have less employees. This fall, Henning says she'll evaluate hourly rate, job bidding and more.

"We try to keep raising our hourly rate but at some point, it still needs to be affordable for the customer," Henning says. "It's kind of a tough thing right now."

The company does everything from patios, retaining walls, design/build and even a bit of concrete work. Henning says she's phasing out mowing though because she's seen the profit margin shrink on it while others in the area can offer it cheaper to her customers.

Weeding out some of these maintenance clients has been happening organically. Henning says they switched to seasonal contracts last year for mowing instead of per cut. It's helped streamline their billing and helps them keep track of how often they're mowing. They'll skip days if the grass is too brown and dry.

Still, while it keeps steady income coming in, it's a service Henning believes she's better off without.

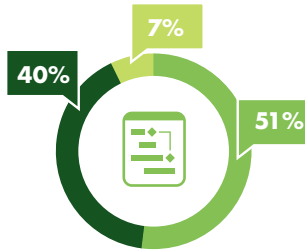
"We're friends with a lot of other landscape companies in the area. We're close to Milwaukee, and some of the bigger companies, that's all they do," she says. "They have hundreds of different mowing clients. They're set up to do it fast and efficient."

**"IF WE GO A WEEK WITHOUT HAVING TORRENTIAL RAIN, IT'S LIKE A MIRACLE."**

— Andrea Henning, Henning Landscape Management



Is there an exit strategy – an articulated plan to sell your location’s business?



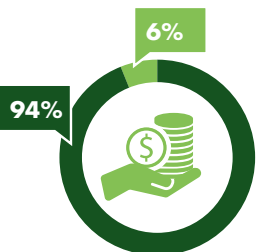
- NO (40%)
  - YES (51%)
  - DO NOT KNOW (7%)
- no answer: 1%

In the past 3 years, have you been approached about selling your business?



- NO (56%)
  - YES (44%)
- no answer: 0%

Does your company currently have private equity investors?



- NO (94%)
- YES (6%)

## Brooks & Andrea Zimmermann

president & CEO/CFO,  
Belmire Premier Landscape Solutions, Loveland, Colo.

**WHEN THE HUSBAND-AND-WIFE TEAM** purchased Belmire in April of 2023, it was not only the company’s 53-year history that enticed them, but also the tenure and loyalty of Belmire’s longstanding staff that made them want to jump into the green industry.

“We were looking for a business to purchase and partner on,” Andrea explains. “We found this business and saw it as a diamond in the rough... we saw that it needed a little love, but we’re putting that TLC in. We knew it could be something great for everybody.”

Brooks adds that they’ve been excited about the opportunity since day one.

“Even with being green to the industry, we’ve been able to come in with the help of the experienced staff and implement things and bring the business up to date,” he says. “We’re growing at a rapid pace and we’re really excited.”

The Zimmermanns and their team of 70 employees garnered \$8 million in revenue in 2023. 2024 will be even better as Belmire is projecting 134% growth this year.

“We’ve doubled our business from when we took it on already,” Andrea says. “This year, we should be hitting our projections and next year will be more about steady growth, focusing on margins and dialing in certain areas.”

Brooks says they were mindful to not come in to change a whole lot at once. They were eager to get the employees on board with their vision for the company.

“We weren’t trying to be a bull in the China shop,” he explains. “We came in, found out what they did really well, where we can put our two cents in in certain areas and have just been patient with it. I’m really proud of what we’ve accomplished over this past year.”

The Zimmermanns say the biggest – and most effective changes – started by improving the company’s culture.

“We’ve implemented incentive programs, and we’ve made people feel proud to work at Belmire,” Andrea says. “That is something that we really strived to do. We want everybody to come to work, enjoy what they do and take pride in what they do.”

The company has implemented a monthly, performance-based incentive program. Belmire allocates funds and it is up to the crew leader on how to disburse it amongst their crew. The program is based on several things including refueling at night, reporting safety hazards and injuries, efficiencies and more.

Brooks adds the renewed focus on employee appreciation has gone a long way and has certainly attributed to the company’s success in 2024.

“Implementing the incentives has really lit a fire under the guys,” he says. “It moved the needle, and the guys really appreciate it. There’s also a higher level of accountability with it and that’s been a big thing helping our growth. Giving the guys their flowers really does go a long way.”

“We’re just trying to create that family atmosphere,” Brooks adds. “We walked into a special group of people. They’ve accepted us and we’ve accepted them like family.”

But even with such an experienced staff, hiring and labor struggles still pop up. Being new to the industry, Brooks says they rely on their team to make the right calls.

“I feel like we’ve had a little bit of a merry-go-round out in the field, in terms of just finding the right guys for the right opportunities,” he says. “We’ve been getting feedback from those key employees in the field that I trust and respect.”



**“IT’S TAKING PEOPLE THREE TO FOUR WEEKS TO EVEN MAKE A DECISION, WHEREAS LAST YEAR PEOPLE GOT BACK TO US WITHIN 10 DAYS AT MAX. I FIND THAT INTERESTING.”**

— Chase O’Shea,  
Chase Lawn & Landscape

## CHASE O’SHEA

president, Chase Lawn & Landscape,  
Tulsa, Okla.

If the past is to be any indicator, 2024 should be a banner year for Christmas light sales for Chase Lawn & Landscape. O’Shea says that’s due in large part to the presidential election.

“In 2020 and in 2016, Christmas light sales have been extremely high,” he says. “People wanted to do all red lights or all blue lights. Neighbors were almost passive-aggressively competing with each other to see who had more red lights versus blue lights. That’s something that we’re counting on again. It only happens in election years — it didn’t happen any other time.”

Still, even after the election, O’Shea says customers will want bright, cheerful Christmas displays as they will need something to celebrate after such a contentious time.

He adds the business tries to prepare for anything during election years, but there’s such a high level of uncertainty.

“The industry is ever-changing. But I think this being an election year, with a lot of the unknowns, whether you’re on the Democrat or Republican side, it’s pretty scary,” O’Shea says. “In certain ways we budget differently. Oklahoma is a very conservative state. Last time, every single county went red in Oklahoma.”

Regardless, O’Shea is optimistic that Chase Lawn & Landscape will grow in 2024. Last year, they reported \$2 million in revenue, and he expects to be past \$2.5 million this year.



“Our goal is to be a \$10 million company by 2030,” he says. “We have some great opportunities coming down the pipeline... it’s not an impossible task by any means.”

One of the hardest hurdles facing Chase Lawn & Landscape is customers not only spending less but taking longer to commit.

“People have been incredibly unrealistic with price points,” O’Shea says. “We’ve had some really bad leads and some unrealistic leads. Our volume was higher last year than it’s been this year. Our average ticket price was \$10,000 but this year it’s lower. It’s taking people three to four weeks to even make a decision, whereas last year, people got back to us within 10 days at max. I find that interesting.”

Something that’s helped sell customers on Chase Lawn & Landscape faster is the company’s prioritization of social media.

“We’re really putting a lot of time and effort into our social media,” O’Shea says. “It’s a slow game, but I really recommend getting into that so you can cultivate your audience and your brand. Give them videos about the process of a project and give them videos about the cost of a project.”

“In 2023, we signed a \$160,000 project on the spot because of our social media,” he adds. “The lady asked if we had a portfolio of projects, and I pulled my phone out and showed her our social media feed.”

A pain point for O’Shea has been increased lowball competition in the Tulsa market.

“We have a lot of companies that come and go,” he says. “Maybe a year or so ago, they had 10 to 12 trucks on the road but they’re not going to be profitable. They’re just the cheapest guys in town. Not to be judgmental, but if you look at their operation from the outside looking in, the lack of uniforms and lack of professionalism leaves them looking like a very rag-tag operation. We’re looking to create a partnership with someone instead. We only look for reoccurring clients.”

PHOTOS COURTESY OF CHASE LAWN & LANDSCAPE



# MARIO HERNANDEZ

president, Royal Landscaping, Phoenix, Ariz.

**M**ario Hernandez says his company's definitely hit a growth spurt.

Now sporting 96 employees and a revenue that's projected to surpass \$6 million this year, he cites a renewed hiring process as the reason his company's been able to find the necessary labor to grow. Since Lawn & Landscape recently interviewed Hernandez for a story that appeared in an issue over the summer, he's already hired four more account managers and is interviewing for another spot.

Finding new employees is a tall task anywhere, but it's not lost on Hernandez that especially in the hot Phoenix sun, finding employees who want to work outside can be a challenge.

Hernandez cites team-building events, paid continuing education opportunities, safety meetings and robust insurance that covers 75% of their health and dental costs as reasons they've been able to dial up more hires. "Of course, we're working on employee retention stuff," he adds. "We also promote within. Anything that we have right now leadership-wise, we've promoted from within. To this day, we haven't hired (management spots) from outside."

Hernandez says over six years of operating, they've instilled a culture of being unafraid to train your replacement.

"We're preparing for the future," he says.

Hernandez says they task potential new hires with a pretty strict questionnaire of things they're looking for in that job. "It eliminates a lot of noise," Hernandez says. He says sometimes, for instance, they'll see employees living on the west side of Phoenix — they need to report to work on the east side of the city's metro area.

"If you're coming in to interview and you're living on the west side of Phoenix, I want you to know the yard is here," he says.

"Do you have reliable transportation? We put out there everything that we offer," he says. "Is that going to work for you? It really prepares us to get someone ready in the door."

Hernandez says he's able to find employees largely through word of mouth. "Happy people will invite other happy people to work," Hernandez says. "If you just focus on the employees you have, they'll bring other people."

Royal Landscaping focuses on its employees by putting a spotlight on their achievements. If someone earns their spray license, Hernandez says the team really celebrates it with them. They'll take them to Top Golf or Fat Cats, a nearby bowling alley and arcade. They'll also announce it in their group chat to see others get excited about the achievement, too.

Plus, if they get a certification, Hernandez lines up a 1-on-1 meeting with that employee so they can go over their career goals. He says it helps show the employee that you're invested in them if you can help them find their one-year, five-year and even life-long career goals.

"If you just listen to your people, they'll tell you where they want to go, what they want to do, how much they want to make.

It's up to you," he says.



Not all's perfect out in the desert sun. Hernandez has noticed new employees are decreasingly interested in health insurance benefits and are more focused on the money up front. He admits he's lost some good employees to competitors who offer more in starting wages. Hernandez believes illustrating their career growth is most possible at Royal Landscaping will help him keep employees. Everything has an end, and he thinks at some point, competitors will stop offering wage increases and employees will notice they could make more by sticking with Hernandez. Not all will stay: He's lost a few employees this year to competitors.

He's not sure what's behind that movement, though he believes it's cost of living and inflation driving employee urgency to find more money now.

"I understand that," he says, "but I guess that's probably been the hardest thing for us is sticking to our road map."

Even despite his stay-the-course men-

**"HAPPY PEOPLE WILL INVITE OTHER HAPPY PEOPLE TO WORK. IF YOU JUST FOCUS ON THE EMPLOYEES YOU HAVE, THEY'LL BRING OTHER PEOPLE."**

— Mario Hernandez, Royal Landscaping, Phoenix, Arizona

tality, Hernandez says he has raised his wages, too. He automatically handed his employees a dollar raise this year, too. He acknowledges competition isn't just in the industry but beyond it. Everyone's feeling it at the gas pump or the grocery store, so he says it's a landscaping business owner's responsibility to ensure fair pricing and expectations for clients and employees alike.

"As competition, we need to not beat each other on price. We focus so much on our customers and our managers that we forget about our people," he says. "Us as leaders, we need to make sure the market is right and that customers have realistic expectations about what we're doing."



## Mark Fahlstrom

owner of Oasis Lawncare, Springfield, Mo.

**FAHLSTROM'S PLIGHT IS A TALE AS OLD AS TIME** — plenty of work and not enough people to do it all.

"The market is good out here," Fahlstrom says. "I don't really have any complaints. We grew last year and we're growing this year as well. I'm not having a hard time finding clients at all, but staffing is an issue. I think it's that way for everyone though."

Oasis Lawncare garnered just over \$1.3 million in revenue in 2023 and employs 25 people. The company is also expecting about 37% growth for 2024.

To combat this common challenge, Fahlstrom has turned to technology.

"We purchased our first autonomous mower," he says. "We've been dabbling in that side of things. We're the first ones in the area to dive into it. I haven't seen any of our competition with them yet."

The consensus has been "so far, so good," Fahlstrom reports.

"I honestly love it," he says. "I like to think of it as an employee who is going to show up every single day and we don't have to worry about it calling in sick or anything like that."

It was the lack of labor that led Fahlstrom to take the leap into autonomous mowing.

"The biggest motivation was staffing," he admits. "We were having such a huge issue with having quality staff and with having guys show up every day."

In Missouri, there's plenty of great plains that need to be maintained, and that's where Fahlstrom says the autonomous mower has been most beneficial.

ILLUSTRATION: CHRIS PHILPOT

**FOR SALE**

Do you anticipate your location's business will be sold in the next 10 years?

YES

**25%**

NO

**50%**

DO NOT KNOW

**25%**



"We use it on a lot of our bigger properties," he says. "Having that mowing big fields has helped move the process along. I can send one guy out with it. It's pretty cool technology."

Fahlstrom adds he's eager to see where the technology advances to in the future.

"I'd guess within the next 10 years that technology will improve enough that it will

make a massive impact in the mowing industry," he says. "It will continue to help with the labor shortage. That's exciting to me."

For now, though, Fahlstrom says he has no immediate plans to move the mower out of the big fields.

"Right now, we just use it in big, wide-open spaces where I'm not worried about it running into a fence or someone's dog. With a residential lawn, I don't feel comfortable using it yet. It'll have to get to the point where the technology, and the sensors and the readings, are more honed-in," he says, adding that he expects to increase the company's autonomous mower fleet in the future.

Fahlstrom says he's happy to see autonomous equipment and other technology becoming more prevalent in the green industry — something he says has been lacking for a while.

"The lawn care industry in general is behind the eight-ball in terms of technology compared to other industries out there, so it's been great to be a part of this at the beginning stages and help guide this and see it grow," he says. "Who knows what this technology will produce coming down the road here?"

## Jeff Kunkel

president & CEO, GreenStar Landscape Management, Carmichael, Calif.

**DOING BUSINESS IN CALIFORNIA MEANS GREENSTAR** needs to stay up to date on all the policies and regulations that are ever-changing to keep its commercial clients compliant.

"It's a dynamic market," Kunkel says. "California is known for a lot of environmental policies and in our industry, there's a lot of focus on drought regulation and water restriction, sustainability practices, laws around pesticides and labor — there's a lot of that to stay ahead of."



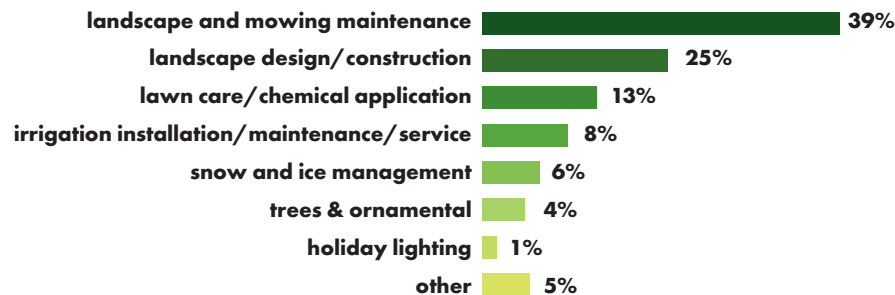
This year, Kunkel says the big focus has been around the demand for professional water management.

"It's not just making sure the sprinklers don't leak or are using too much water, but the professional management of the system," he explains. "Our customers are looking for more water-efficient designs and water-saving initiatives like turf conversion or permeable paving."

With legislation changing constantly, Kunkel says effective education and communication are of the utmost importance.

"When we find out about a regulation like that, we get the background on it, try to highlight the main points they need to be concerned with and make a

Approximately what percentage of your location's 2023 gross revenue came from each of the following services?



presentation to the customer. This way they can make an intelligent, educated decision on how they're going to manage their property moving forward," he says.

GreenStar seems to be doing a great job of it: The company earned over \$5 million in revenue in 2023 and is projected to do about \$8 million this year. Additionally, not one of their commercial clients has been found noncompliant.

"Some towns, cities and water districts are much stricter than others," Kunkel says. "They've created teams and whole departments who are out and enforcing the regulations in some cases. In general, it's been a pretty good process. We haven't had any customers get fined or penalized because of water use or not following the guidelines. We've been able to intervene and help them navigate the regulations."

With this being an election year, Kunkel says he's increasingly curious about

what the results will mean for current and pending regulations across the state.

"One way or another, it's going to affect us depending on who is elected," he says. "The policies in California around water use, equipment, labor and all of those things will shift depending on who is elected and what their concerns are. I think it will start at the top. The presidential election will follow along through legislature and our California government, too."

Yet Greenstar is more focused on growth than anything else.

"We did an acquisition at the end of 2023," Kunkel says. "When we finished it, we said to ourselves, 'That was great. We should do more of those.' Through the entire year, we've done really well with all of that business — we've retained it all."

Kunkel says that was because of the company's strategy to not incorporate many changes post-sale.

"We made a conscious decision to not make changes that were going to disrupt the employee or customer," he says. "It was very successful."

He adds that he'd love to make similar acquisitions moving forward.

"As long as we can find acquisitions that'd fall into that category of not having to make big changes to have it work, then we're very interested in doing that in the future," he says.

## JUSTIN BERG

president, Purple Care, Fort Worth, Texas

There's one glaring thing about the industry that stands out to Berg. "Our margins have never been this low — ever," says Berg, the president at Purple Care, which focuses on high-end landscape install and larger maintenance accounts.



The company employs 45 people and projects \$7 million in revenue this year. "We're not the biggest, but we're established enough," Berg says, adding that the company's focus on design/build and high-end accounts has helped Purple Care grow. "When we started off moons ago, somebody called for one yard of mulch and we went right over there," he adds. Now, the company's more selective with the clients it brings on.

That hasn't helped with the profit margin, which Berg says has dipped for everyone in the industry. "What I've noticed with myself, and I'm really friendly about my competition in business, is that our margins have plummeted," he says. Berg directly attributes that to rapidly escalating expenses on everything they buy.

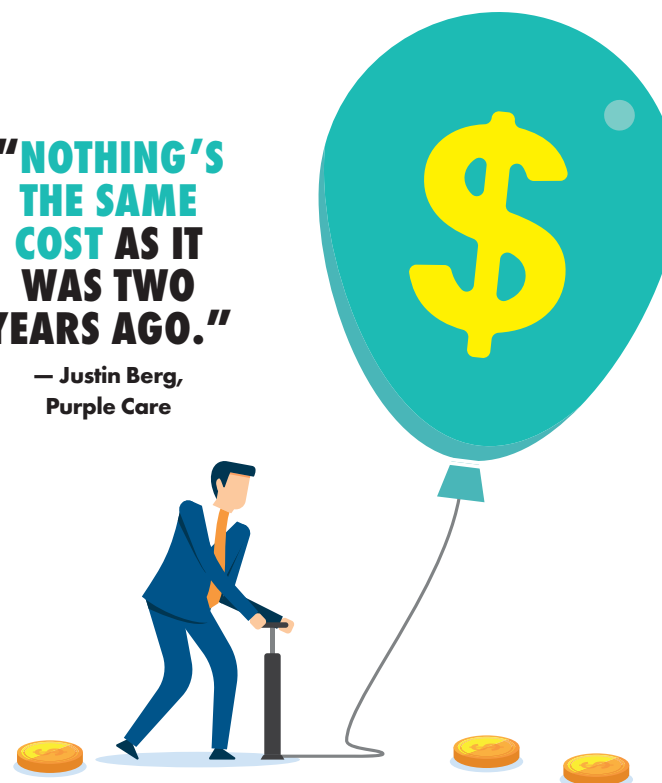
"Nothing's the same cost as it was two years ago," he says. "Not even close."

At first, Berg says the industry adopted an understanding approach to rising costs. COVID-19 seemed to spike costs for everyone and logically, Berg says he followed the rationale. But he believes everyone figured out that they could get away with another cost increase. When costs rose 30% and nobody grumbled, everyone did it again.

**"NOTHING'S THE SAME COST AS IT WAS TWO YEARS AGO."**

— Justin Berg, Purple Care

ILLUSTRATION © J. J. INTERI | ADOBE STOCK



But Berg says folks are fed up. When the solution to plummeting margins has traditionally been to increase prices on the customer, he believes there's more resistance to that now. He's seeing what he calls "customer bounce," where they've reached a breaking point in what they're willing to pay for landscaping services.

Berg says this is a blessing and a curse. On the one hand, it's frustrating that the industry has reached this point. On the other hand, now they know what the reasonable bounce rate might be for clients. He says there will always be customers who leave for a cheaper price, but Berg trains his sales team to focus on value, not on cost. When someone points out that Purple Care costs only a bit more than a competitor, Berg says he's told those clients, "Oh, fantastic. Now I wonder if we underbid it."

There are other companies in the area who are trying to acquire clients as fast as possible, but Berg says that's not his team's mission. He also adds that he uses high-quality products and keeps his trucks brand new, so he's still aiming to solve his margin problem by preaching quality over quantity.

"I want to be known in my market (as), if you want the job done right, the finest products, you want these guys," he says. "It's going to cost you a little more, but those are your guys."

Yes, Berg's raised his wages, but he says it's not enough to help his employees. He's 51 years old and remembers when graduating college with a \$40,000 job lined up was a good gig; now, he's not sure it would pay for their basic needs.

He estimates he's increased wages roughly 30% across the board since the pandemic first started. "That's a fairly large increase," he points out. Plus, when accounting for labor burden, for every dollar in cost that goes up, Berg says companies need to raise their price by three more dollars on the customers.

"I need to pay these guys a livable wage just so they can have a decent life," Berg says. "It's not lavish by any means, but at least they're living."

While it's been a painstaking process, Berg says he's become a better businessman as a result of these tight margins. They're scrutinizing each purchase that affects their overhead and Berg, who says he's a loyal customer to those who return that loyalty, is pushing back on vendors who he thinks are overcharging. He hadn't even looked at some of those vendor accounts in nearly a decade.

"When your margins drop like they have, you really have to do a deep dive and start looking at everything," he says. "Rather than (complain) about the margins, I'm happy it happened. I'm leaner and meaner than I ever have been."

**"OUR CUSTOMERS ARE LOOKING FOR MORE WATER EFFICIENT DESIGNS AND WATER SAVING INITIATIVES LIKE TURF CONVERSION OR PERMEABLE PAVING."**

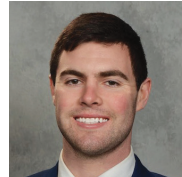
— Jeff Kunkel, GreenStar Landscape Management



# JAKE REYNOLDS

director of property maintenance, D.W. Burr Landscape and Design, Simsbury, Conn.

From pesticide use to electric equipment, it seems like more and more legislation is pushing green industry companies in the Northeast to evolve and be more sustainable.



Reynolds says he and the 75 employees at D.W. Burr are working hard to stay in front of these ever-changing regulations, so when they inevitably do go into effect, they will be ready and not be left rattled.

“As far as pesticides go, there have been a couple things that have gone to the Senate floor to ban certain products and whatnot,” he says. “A lot of them have failed. I think it’s because we’re starting to see an overwhelming amount of these pests coming in from other countries and wreaking havoc around here.”

While he’s all for sustainable practices, Reynolds does emphasize the importance of some chemical lawn care treatments.

“Obviously, we’re trying to minimize the chemical use and promote the pollinators that we need and all that, but at the same time, we do need to keep things at a certain level,” he says.

Making the move to battery-powered equipment in a time where gas-powered bans are increasing everywhere has been a bigger stumbling block.

“Last year we made a sizeable investment into it,” Reynolds says of battery-powered equipment. “We’re one of the first in the area to adapt to this equipment. We’ve run into some serious problems

with this, but we’ve also had a lot of success at the same time. It’s been especially nice in the HOA world and some of the towns that we’re in where they are pushing to ban two-stroke engines.”

For the company, which made \$9 million in revenue in 2023 and is projecting \$12 million in 2024, Reynolds says the first challenge was the cost of the equipment — something he was hoping to eventually pass off to the customers.

“Some of the issues are the upfront initial costs being significantly higher,” he says. “With our customers who ask us to use electric equipment, a lot of them aren’t willing to pay a premium for it. So, it’s harder to invest into it when people aren’t paying a premium for it.”



**“I THINK IT’S BEEN SETTING US APART THAT ALL OF OUR TWO-STROKE EQUIPMENT HAS GONE TO ELECTRIC.”**

— Jake Reynolds, D.W. Burr Landscape and Design

Reynolds says the other issues with the equipment are pretty standard and boil down to battery life and charging capabilities.

“The cost is high, the ease of use is nice, but the batteries still need some development,” he says. “We’re working on charging things, too. We’ve tried inverters on trucks, we’ve tried a few things and eventually want to get into having a solar panel on the roof. We have a cyber-tank on all the trucks to store batteries. It’s kind of like a big gas tank that charges the batteries.”

Despite the headaches the equipment may have caused originally, Reynolds is thankful the company made the switch now instead of waiting to be forced to down the road.

“I think it’s been setting us apart that all of our two-stroke equipment has gone to electric,” he says. “We know it’s coming eventually, so the further we are ahead of that — we’ll be successful. We’ll be way ahead of the curve.”

# Matt Hines

owner, Hines Designs Landscaping, Soddy-Daisy, Tenn.

MATT HINES CONSIDERS his whole green industry experience a roller coaster.

Nowadays, it’s just him and another employee who handle all the services they offer, which he says is just about everything but irrigation. It’s all primarily residential work, though he does service a 75-acre horse farm that’s semi-commercial.

At one point in his career, he did expand to multiple crews but shed them in 2009 when the market crashed. He often mowed yards in middle school and high school, then worked for two different local nurseries prior to this business, which he scaled back from its peak during the recession.

As the industry exits the pandemic era, and after some personal life changes, Hines considers himself lucky he didn’t try to take on more workers again. While other landscapers significantly expanded, he stayed put.

“You hear everybody in the world talking about how it’s hard to find people to work,” Hines says. “I’m just comfortable where I’m at. I make a living. I want to be the one out doing the work.”

Meanwhile, some customers are changing how they want to pay for the completion of the services. But, Hines says most of his clientele hasn’t opted for digital payment and instead still pays by check. There’s lots of folks who moved to the region who are working from home, but that hasn’t changed customer expectations in Hines’ experience. They largely keep to themselves and aren’t demanding anything out of the ordinary.

Hines adds inflation is the number one struggle he faces in the industry.



“It’s been a killer,” Hines says. “Lack of ability to find materials on demand has probably been the worst effect of the COVID era.”

Even with that issue and his stance on keeping the company at its current size, it’s been tempting to expand. Hines says the Tennessee Valley area is expanding at three times the rate of the rest of the U.S. They’re building new neighborhoods, and the customer base is more diverse than ever before. And while his specific spot is not a very business-based town, he’s benefitting from the folks who moved to Tennessee seeking lower cost of living.

“The dynamic in our city’s changing a lot. It’s a little town...but the customer base is completely different from what it used to be,” Hines says. “We’ve got brand new customers who’ve moved from all over the country who are new customers.”

“I don’t see there being a lack of work in this industry and this region any time soon,” Hines adds, also saying that he’s noticed a lot of natural land like wooded areas quickly becoming hot spots for new neighborhoods. It’s a double-edged sword for him — more growth in the area also means less untouched land. L&L

**“IT’S BEEN A KILLER. LACK OF ABILITY TO FIND MATERIALS ON DEMAND HAS PROBABLY BEEN THE WORST EFFECT OF THE COVID ERA.”**

— Matt Hines, Hines Designs Landscaping





**2024** State of the Industry

# webinar

**WEDNESDAY,  
NOVEMBER 12, 2024  
NOON- 1 P.M. ET**



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Brian Horn,  
Editor, Lawn & Landscape



Join editor Brian Horn as he moderates a panel comprised of green industry professionals from across the country. They will discuss trends in the industry, solutions to problems panelists have faced, what they expect in the future, and much more.

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