

Franklin Outdoor Services

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Company success comes from diversification



About 70 percent of Franklin Outdoor Services' business is maintenance of townhomes and commercial properties.
Photos Courtesy Of Jim Hartwell.

Jim Hartwell started working in the industry when he was still in high school. His hard work showed promise and attracted the attention of the owner of a large landscape company, who mentored Hartwell and showed him the ropes of the business.

Hartwell continued to work in the industry through seven years of college, where he'd switched majors a few times, which included subjects such as meteorology and business. Hartwell applied his business acumen and meteorology knowledge to start his own turf business in 1997 in Burnsville,

Minn., with nothing more than a lawn mower. He named his company Franklin Outdoor Services after his mother's maiden name.

Franklin Outdoor Services, which serves an area south of the Minnesota River, has evolved as the years have progressed. He's added employees, divisions and machinery. He also started a landscaping division, followed by an irrigation division, and he hired an irrigation tech and bought an irrigation company that provides installation and irrigation maintenance services for townhouses and commercial properties.



About four years ago, Hartwell added a fertilizing division in the company. He started by offering the service to commercial properties, and now also has a residential plan.

Four years ago, Hartwell had issues with the quality of the contractor providing fertilizing and weed control for his company's clients, so he started a new division and performed the services himself. "I questioned a lot of the practices they were doing. Weeds and the color of turf is a very visible portion of what we do in our property maintenance, so I ended up starting the fertilizing part of the company," Hartwell says. "We started that with our commercial properties and now are offering a residential plan."

Hartwell says diversification helps in quality control management. "When you start out, you really just want to stick to one thing," he says. "As you grow, rather than outsourcing the things you were apprehensive about doing at first, such as fertilizing or irrigation, you start to see that you can do better and start doing things yourself." Because of that, Hartwell has been able to increase cash flow. "The more revenue streams you have for a company, the better and more successful you are, because you're not relying on one sole entity or division that will make or break your company," he says.

Hartwell attributes his company's success to a carefully picked staff of, an average, 20 employees whose turnover is low. Another key to his company's success is in the equipment, he says, adding that it is also a large part of the company's expenses.

He favors track machines, and he's a fan of Caterpillar hydraulic equipment. "They're not so prone to break down," he says, pointing out that downtime is lost money.

One way Franklin Outdoor Services markets itself is through home and garden show displays, such as the Minneapolis Home and Garden Show. "We've gotten some really good projects from it," Hartwell says. "You get to meet people and see what they want, and see what your competition is doing, too."

About 70 percent of Franklin Outdoor Services' business is maintenance of town homes and commercial properties, 20 percent is landscape installation and the remaining percentage is irrigation, fertilizing and weed control. "We're heavily weighted towards service," says Hartwell. "That's guaranteed money, whereas if you do installs, landscaping or irrigation, you never really know what that market is going to bring because with maintenance, you're not necessarily competing with anybody, because it's your contract."

Maintenance contracts have become the backbone of his business, says Hartwell, which include services such as mowing, pruning, plowing and fertilizing. "The service contracts are the cash flow we need to operate," he says. Irrigation service agreements have become more popular the past few years, fueled by a push for water conservation, and the company is installing more smart controllers and rain sensors these days.

Hartwell approaches landscaping with an eye on how easy it will be to maintain in the future. "Some landscape companies try to sell plants and want to put 50 plants in an area that may only need 20. Over time, if you put 50 plants in an area, then you have an issue of having to remove plants in the future because they get larger," he says. "Older clients don't want to do that, they don't want to spend their whole day cutting things back and doing more stuff for their property."

Hartwell has tried to get into more natural products for fertilizing and weed control, but has found that the products on the market aren't the right fit for his company. He says, They "are effective after a long period of time and until they come up with something that happens immediately, it's not economically feasible for me right now. For one, you've got to lay down a lot more product. Two, you've got to wait longer for the results that you want. That's just from a fertilizing perspective. With weed control, there is not one product out there that is not a man-made chemical that treats weeds. If there was, I'd definitely use it because of concerns about chemicals."

Hartwell uses chemicals with the philosophy that "less is more." His company uses the recommended amount, but not necessarily throughout the entire parcel of property. "That comes with knowing the property," he says. "Some areas don't need it as much."

Hartwell has spent the last two years thinning out his business and becoming more "systems and process" oriented. Although his company is diversified, his employees are not cross-trained. Hartwell instead prefers each employee to have a specialty. "I don't want to say 'assembly line' without sounding too much like condescending, like that's all they're going to be doing," he says.

"You want to make it so they stay at that, rather than having to retrain somebody in doing so many other different aspects of landscaping. One guy does shrubs, one guy does the mulching."



Jim Hartwell says irrigation service contracts are becoming more popular, fueled by a push for water conservation.



Jim Hartwell is a fan of Caterpillar hydraulic equipment and favors track machines.

Hartwell says what sets his company apart from others is attention to detail. "We listen to our clients and what they want," he says. "When it comes into drought time, we're cutting the grass a little bit longer. When it comes to turf, we're not trimming things down to dirt from a maintenance perspective. On the landscaping side, when we're doing patios, instead of going 6 inches down for a base, we go 10 inches down so we won't have any sinking in the future." Hartwell also holds weekly meetings with his employees to set expectations for each job.

He says his biggest challenge is trying to control growth. "You can grow your business as much as you want, but controlling your costs becomes the biggest struggle," he says. As does cash flow. "Given this economy, people pay slower," he says. "Thirty days turns into 60 days and you have to restructure your company accordingly."

He does adjust his company's hourly rates to accommodate some of the rising costs, such as fuel. "That's one thing where it's really a struggle, given the economy," he says. "But, like anything, in order to survive in this economy, we have to know our costs a little bit more, which we've been striving to do."

Hartwell would like to keep his company where it is now and stay the course. "I really want to grow, but I want to be more profitable," he says. "If being more profitable means my business has to shrink, it will."

He also wants to remain open to new ideas that he could add to his list of products and services. "We'll continue to change and evolve because we're not going to be the same company year in and year out," he says. "But, it really is based on what customers want and the tools that I have, so I'll try to meet those needs, because I know the customer drives the company. We'll track market trends and see what comes down the pipeline and hopefully we can become a part of that."

Carol Brzozowski is a member of the Society of Environmental Journalists and has written extensively about environmental issues for numerous trade journals for more than a decade. She resides in Coral Springs, Fla.