<u>Growing the Family Legacy</u>



Source: www.TurfMagazine.com

In business, you can't always pick your location, but you can take advantage of it when the opportunity arises. That's what C. Caramanico & Sons, Inc. in Upland, Pa., has done in affluent suburban Philadelphia. These markets are recognized for their nationally ranked universities and colleges, their prime retirement and 55-plus communities, their high-end retail shopping centers and their wealth of Class-A office buildings and properties.

"A business like ours is tailor-made for an area like this," says John Caramanico, who along with his brother Mike is one of two brother partnerowners of Caramanico & Sons, a full-service commercial landscaping company. They're the <u>third generation of the Caramanico family</u> to guide the company's fortunes. A fourth generation is now active in the company, as well.

×

<u>Click image to enlarge.</u>

St. Joseph University's beautiful campus is a delight to its students.

Even in the recent recession, two industries that didn't slow down much were two that the company routinely serves, higher education and healthcare facilities. "We're lucky to be involved with both," says John. The company also works for developers, shopping centers and office building complexes.

"Our company would not have lasted 65-plus years without the development that's taken place in our region," he adds. But luck can only carry you so long, and certainly not for 65 years. C. Caramanico & Sons, like any smart service company, provides services where the money is.

C. Caramanico & Sons, Inc.

Owner: Mike and John Caramanico

Founded: 1946

Headquarters: Upland, Pa.

Markets: Bucks, Chester, Delaware, Montgomery Counties, and the City of Philadelphia in Pennsylvania, Southern New Jersey and Northern Delaware.

Services: Landscaping maintenance and construction, hardscaping, athletic fields, organic lawn care and snow and ice management services

Employees: 21 full time, 44 seasonal

Website: www.caramanicolandscape.com

"We're where a lot of others want to be, but we don't want to say that and sound cocky about it," John says from inside one of the establishments at Glen Eagle Shopping Center in Glen Mills, Pa., where C. Caramanico & Sons is responsible for the landscape maintenance and snow and ice services, and has installed cobblestone curbing and brick paving at this location.

Ninety-five percent of the firm's work is commercial. The other 5 percent is a mix of residential construction and organic lawn care, which the company began offering three years ago.

The Caramanicos' father and uncle began their company by servicing residential properties. In the mid-1950s they slowly added landscape construction work to support their maintenance services. Today, each of the two brothers works in a separate division within the company, a possible reason for why they get along so well. Sometimes a week will pass and they don't see each other.

It didn't take the brothers long to get into commercial work.

"There are more business opportunities on the commercial side," John says. "You look to get a two- or three-year contract, the kind you cannot get with a residential job. Commercial work pays more than mowing and maintaining houses. Companies who are doing that (residential) are doing well, but it has to be high-end residential.

"At a high-end shopping center, we earn as much planting flowers as we do cutting the grass, and it helps that they (shopping centers, campuses and office complexes) are all competing for customers/students and need to look good," adds John.

But he admits it's hard to break into the commercial account world.

"A lot of it is based on reputation," John says. "To get an opportunity, you need a good reputation, and we have earned a lot of respect in this

business."

The end result: When a massive real estate development company like Liberty Property Trust grows, C. Caramanico & Sons also grows. For example, in the **Philadelphia Navy Yard**, the company started in 2001 by installing the landscaping at a single building, and now maintains and does snow management for the properties of 10 buildings there. "They add a building, we do the landscape installation, then maintain it," Caramanico says.

Riddle Village Retirement Community in Media, Pa., is another prime example. At the time it was built 20 years ago, the company did the landscape installation and has maintained the community's property ever since. "That's the kind of relationship we look for," he says. "With commercial work you can build stable, long-term relationships."

Since then, the landscape firm has also picked up Riddle Hospital and the Rothman Institute at Riddle, the property and business next door. It handled the landscape installation, brick pavers and bio-retention plantings at those locations.

Humble beginnings

Carmine Caramanico, an Italian immigrant, started the business, basically a gardening service, in the 1930s from his home in West Philadelphia. He took ill in the late 1930s and had to wait until after WWII when his sons Dan and Dom joined him in 1946 to form C. Caramanico & Sons, a residential lawn service.

Dom and Don, neighbors in Springfield, Pa., ran the business from their adjacent half-acre backyards, and, as both brothers were ambitious and hard working, they shifted the company into high gear.

×

<u>Click image to enlarge.</u>

This inviting landscape maintained by Carmanico at PPL Park, Chester, Pa., overlooks the Delaware River.

"They cut the lawns of a lot of houses," says John. "I would often have to dodge one of the trucks while catching the bus to school. Then, sometimes, I'd get a ride to school on one of those trucks if I missed the bus."

In the 1960s, the business expanded to include blacktop services, quickly followed by commercial landscape installation and maintenance services. By that time it had expanded to 13 employees. It was during the 1960s and early 1970s that John and Mike Caramanico joined the business, just as the Philadelphia suburbs were rapidly growing. By the early 1980s, the company was maintaining 400 to 500 residential properties.

In 1978, Dom passed away, followed by Dan in 1987. It was in 1985 that Dan's

sons bought the business. There were two older brothers, Dan and Tom, but they became engineers. Both are still business mentors. One does sales and management training, and the other is president of a \$50 million a year engineering firm. "We still always get good advice from them," John says.

John and Mike's youngest brother, Dave, is now the firm's vice president of sales. He's responsible for estimating, bidding and bringing in new business. Mike manages the construction side of the operation, while John's focuses on the maintenance division. He also oversees day-to-day office activity. A big part his responsibility is managing finances and cash flow.

It was John and Mike who began to branch out commercially, initially picking up McDonald's and Kentucky Fried Chicken properties when those fast food chains were in a building boom. Then they began adding bank properties. At one point they managed the properties of 85 Citizens Bank (formerly Girard Bank) properties in five counties, however they lost the account a few years ago.

"It could be our toughest setback," John says. "But you just have to continue to focus on growing the maintenance side, paying attention to details, providing customer service, and doing what you say you're going to do. We've since replaced that business, not with one account, but multiple properties as we continue to grow maintenance." And once they land an account, they service it to the fullest because they want to keep it. "It's easier to serve existing customers than to find new work," says John.

The company's goal is to be 50 percent new construction and 50 percent maintenance. Presently, new construction brings in 65 percent of company revenues, though maintenance side has been creeping up. That includes a growing snow and ice management business.

It helps that the company looks at landscape construction jobs with an eye to converting them into maintenance contracts, too. That's vital for several reasons, including making sure that the life plants that the company installs (and guarantees) are maintained properly. "It's best to feed both sides of the company," John says.

It doesn't always work out that way. For example, the company recently did a installation at the University of Pennsylvania, a project that consumed Mike's attention. Penn, like other colleges and universities that the company serves (Arcadia, Cabrini College, St. Joseph's University), handles its own property maintenance.

×

<u>Click image to enlarge.</u>

Competition for top students is keen among prestigious universities. C. Caramanico & Sons keeps Villanova University green.

Environmentally aware

In recent years, C. Caramanico & Sons has been installing more and more environmentally focused landscape features, such as <u>bioswales</u>, <u>rain gardens</u> and wetlands. John says customers are becoming increasingly conscious of environmental issues.

"We're very good at those, and as part of the job we're often asked, 'Are you capable of something like that?' We are, and that's because we've done it so many times," says John.

The firm likes to partner with a project's landscape architect ahead of time, if possible, to let him know what native plant material is available and what will survive locally. In a project at Princeton University in New Jersey, for example, the landscape architect was from Boston, and so there's a potential learning curve.

What John likes most about the industry is, not surprisingly, the independence of being a family-run business that's constantly adjusting to the market and capable of changing with the times.

"We're truly proud of being a family-run company," he says. "This year we were named Delaware County Family Business of the Year by the Delaware County Chamber of Commerce. We are a true family. We're now into the fourth generation with my sons, John Jr. and Bill, and Mike's son Dan, John's nephew. They're responsible for managing schedules, conversing with customers and selling enhancements, like cobblestone curbs or brick paver sidewalks.

"Enhancements are a big part of future maintenance," John adds. "We used to call them 'extras,' but everyone wants to enhance their property, don't they?"

If he could have done anything differently John would have begun to grow the maintenance division sooner. "Now, the push is on, but we should have started the push 15 years ago instead of just within the last five years," he says.

The focus on maintenance was the result of paid consultants' advice. The company also hired Dwight Belliveau, the maintenance division manager six years ago. He moved in from a big corporate landscaping background, and his focus there was solely maintenance, too.

"We're lucky that we're diversified enough to stay busy, even through the recession," John says. "This year, the construction division is busier than ever, but it's still the goal to build the maintenance division because the construction division can be very competitive."

These days, competition comes from both ends, the big national and regional landscape firms, but also those much smaller who want to grow like C. Caramanico & Sons has grown. "We get it top-down and bottom-up," John says.

Organizational systems are a huge part of the company's success. Another reason for their success is very hard working and dedicated employees. Some foremen have been with the brothers for 20-plus years, and their brothers, sons and nephews have joined the company, too; a true family business.

×

"To retain good people, you have to take care of them," John says. "They have to enjoy the work, and we keep it interesting for them. They're not just planting trees all the time, but building patios or installing a wetland or rain garden. Some of the diversity keeps the people interested, and committed to our company and their career."

Two of those people, his son Bill and Dwight Belliveau have just pulled up in a truck to replace hanging flower baskets at Glen Eagle Shopping Center. John can see them from inside, but they don't know it. "That's what this place is about," he says. "They spend a lot of money here, and if a single flower is going to fade, we're going to replace it."