

# CRYSTAL BALL REPORT 2

## Landscape Contracting: Today and Tomorrow



The association of members who create and maintain the  
QUALITY OF LIFE in communities across America.

*Crystal Ball Report 2 –  
Landscape Contracting: Today and Tomorrow*

*The report addresses future changes in the industry, such as emphasis on environmental concerns, the concept of design/build, lack of landscape equipment and new materials, the potential of tax incentives, the psychological need for open space and green plants, and the reliance on trade associations to address the needs of the industry.*

The Crystal Ball Report was originally published by the Associated Landscape Contractors of America (ALCA) prior to its merger with the Professional Lawn Care Association of America (PLCAA). This merger resulted in the formation of the Professional Landcare Network (PLANET), who continues to identify meaningful topics and create the Crystal Ball Report for the Green Industry.

# **Landscape Contracting Today and Tomorrow**

**Crystal Ball Report #2**

**Committee Chairman**

*Tom Lied, CCLP*

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**THE ASSOCIATED LANDSCAPE CONTRACTORS OF AMERICA**  
150 Elden Street, Suite 270, Herndon, VA 20170  
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# Acknowledgments

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## *Members – Full Committee – 1976*

Tom Lied — Chairman  
Lied's Nursery Company, Inc.

Lee Bruce  
The Bruce Company

Dick Morey  
Landscape Industry Magazine

Jerry Lankenau  
Lankenau-Damgaard & Associates, Inc.

Wil Schulze  
Finn Equipment Company

Ritch Skelton  
Duncan Landscape Associates, Inc.

Vern Smith  
Millcreek Gardens, Inc.

Tom Stewart  
Executive Director  
ALCA, Inc.

# Purpose

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This continuing Crystal Ball Committee is charged with the responsibility of creating a 10-year master plan of growth and development for the landscape industry. It is anticipated that the plan will serve as a guide to collective industry programs through its trade associations and as a basis for every landscape contractor's company plan of growth, development, and management decisions. The committee will continually refine its 10-year plan and annually update and measure the validity and effectiveness of the plan. This is the committee's second annual report.

It is the committee's sincere hope that its work will have the effect of unifying the industry and will encourage the landscape contractor to be a much more dynamic force in directing his or her own destiny — profitably.

## **General Comments**

The group reviewed and refined its projections of the previous year. New areas of opportunity were identified. New concepts to consider as tools to capitalize on our industry's opportunities were presented for future detailed discussion. Shifts in governmental philosophy and in the requirements of our clients were discussed in relation to their effect on our industry. Considerable discussion was devoted to the landscape contractor's management ability.

The committee still felt comfortable as a resource for the industry. They expressed a hope that their findings would be a guide to individual contractors, trade associations, schools, the banking community, and government agencies.

# The Ten Years Ahead – Some Additions and New Considerations

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A change in the emphasis of environmental concerns was identified. The change has been largely caused by a water shortage due to drought conditions and the energy shortage.

The committee agreed that water availability and quality control will have a substantial impact on our industry. On the negative side, many regional areas are feeling the pinch of reduced water availability for irrigation and of the increasing restriction on water consumption. Some regional governments are considering banning water use for landscape irrigation. This would, of course, force the landscape architect and contractor to use new and yet undeveloped design, installation, and maintenance techniques and materials or be closed down. On the positive side, the water shortage is kindling a new awareness of water quality improvement and protection, bringing new opportunities to the landscape contractor. These opportunities include, but are not limited to, watershed erosion control to prevent silting and creation of retention and settling basins to allow dirty water to clean itself.

The energy crisis has caused a reduction in the emphasis on environmental protection and in increased emphasis on **environmental replacement**. As we need more energy sources, we have become aware that we must create the necessary scars but then heal them.

We are seeing complete new towns being developed at the energy-producing sources. New transmission lines are proliferating. The emphasis is on instant erosion control and revegetation. Neither the technology nor the contractors exist to satisfy the new demand. The following are some of the results:

- *Substantial research and development are being done, at tremendous cost, by universities and private firms, without the input of the landscape contractor.*
- *Substantial amounts of in-house work are being accomplished by companies and governmental agencies because the landscape contractor is neither available nor equipped to do the job.*

- *The landscape contractor has not yet shifted from a beautification orientation to an environmental orientation.*

The committee concluded that **the landscape contractor should be involved wherever soil is disturbed**. Further, he or she must help direct research and development projects.

The committee recommended that the trade associations or private firms establish an interdisciplinary research and development arm and actively recruit the considerable funding available.

The committee also reaffirmed its belief that **environmental contractors will emerge from its ranks** but warns that this contractor will necessarily need to be flexible. He/she will be forced to adjust quickly to the vagaries of the rapid changes in environmental emphasis. Such contractors will be forced to prove themselves capable of doing the job more efficiently, better, and faster than in-house operations.

# Residential and Commercial Landscape Design, Construction, and Maintenance

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Considerable discussion centered on the **design/build concept** and its future. The committee agreed that professional landscape architects have fumbled the ball in many regions. They have too frequently become a cut-rate subcontractor to the construction architect. The result is slipshod design work and inadequate or nonexistent supervision with poor results. The design/build firms have moved in these areas to fill the void and efficiently create the quality projects desired by the client. It is to be noted that some geographical regions have strong landscape architectural offices operating very professionally, and therefore the design/build field in those areas is weak.

Two questions were raised.

- 1. Is the client better served by the design/build firm?*
- 2. Will the industry in the long run be better served with separated landscape architecture and landscape contracting firms or by the merger into design/build firms?*

The committee agreed that the questions are important and must be reviewed in detail soon as a joint landscape architect/landscape contractor problem. In any event, the two disciplines must cooperate in the creation of new techniques, design solutions, and material choices, but they are not now successfully accomplishing this end.

**Landscape maintenance**, as predicted, is a rapidly advancing facet of our industry. The committee noted a marked entry of the building maintenance firms into the landscape maintenance field. This is partly due to a lack of qualified landscape maintenance contractors but is also due to the increasing requests for "turnkey" maintenance packages. The landscape maintenance contractor might give some thought to providing a complete maintenance package, including building maintenance.

The committee stressed the need for increasing cooperation between builders, architects, landscape architects, and landscape contractors to understand and solve the new costs and problems inherent in today's building styles.

# Equipment and Supplies

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A definite lack of landscape equipment and new materials development was noted. The group identified the following problems:

- *Too much landscape equipment must be adapted from other designed uses.*
- *Too little new research and development of landscape materials are taking place.*
- *Few methods and facilities for operator and mechanic training are provided by equipment dealers and manufacturers.*
- *Little adequate labor-saving material handling equipment and techniques are available to the landscape contractor.*

Some preliminary solutions were suggested.

1. *Create a vehicle through trade associations to make manufacturers aware of the contractors' specific needs, the potential market, and the problems encountered with existing materials and equipment.*
2. *Establish dealer and manufacturer councils to serve as clearinghouses for operator and mechanic training programs. These councils could act as research and development vehicles for new products and equipment and could publicize the availability and use of unusual and new products.*
3. *Increase the use of visual aides as an operator training technique.*

The supplier representatives on the committee stressed that information supplied and documented by a trade association to a manufacturer or supplier would have more validity than that supplied by individual contractors. Our trade associations are, therefore, encouraged to extract and supply this information on a regular basis as a service to both segments of the industry.

All of the previously identified problems with green goods suppliers were reaffirmed. The problem in this area is increasing. The group agreed to give it high priority in future detailed discussions.

# Interiorscape

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The group was divided in its rating of the growth potential of the interiorscape segment of the industry. **It seems there are strong regional differences in the importance of interiorscape installations.** The committee agreed that companies offering this service would probably profit more from maintenance and replacement than from original installation. The committee pointed out that one limiting factor in the growth of this segment of the industry is the architects' frequent inappropriate design and inadequate accommodations for plant growth.

# General Considerations

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**Tax incentives** seem to have real potential for future expansion of the industry. Tax credit for certain types of landscape installations are as valid as those for insulation installations. Tax credits would, of course, encourage heavier spending for landscapes. There seems to be a lack of knowledge and understanding of recent IRS rulings allowing depreciation of landscape investments under certain circumstances. Our trade associations must clarify and distribute this information in order for the contractor to utilize its impact.

The **psychological need for open space and green plants** must be quantified. The same holds true for the energy-saving climate control features of landscape installations. Proof in these areas will move landscapes from the aesthetic choice to the necessity.

Our clients are becoming increasingly aware that they need our services but do not fully understand the scope and complexity of our work. They certainly do not yet place a high enough value on our services, nor do we.

Our **trade associations** must make themselves heard, address the needs of the industry, and lead the industry into the future. To do so, they need active participation and broad support, so they can spend more time and energy in industry projects and less on association problems.

# Management

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Management was the topic on which the committee focused much of its attention and substantial time. It is still considered the largest limiting factor to the growth of the industry. The work on this topic is to be completed in 1977. As such, no definitive report is now available. The following problems were identified and discussed as limiting factors to growth. Recommendations for solutions to the problems will be in the final management report.

- *Inadequate management ability.*
- *Lack of capital.*
- *Ease of entry into the profession.*
- *Shortsightedness and narrow-mindedness.*
- *Lack of a forceful national voice.*
- *Desire to eliminate rather than improve competition.*
- *Lack of lobbying power.*
- *Lack of trade status.*
- *Lack of employee advancement procedures.*
- *Lack of labor pool.*
- *Low ranking of profitability in construction industry and accompanying low pay scales.*
- *Extraordinary work hours.*
- *Lack of financial understanding.*
- *Belief that we have unique management problems.*
- *Traditional slow cash movement.*
- *Inadequate use of outside professional advisors.*

# Conclusions

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Although some of the committee's original conclusions have been altered, most are still sound.

Many of the items of discussion pointed to the need for a research and development vehicle in our industry. Our trade associations are strongly encouraged to investigate the feasibility of establishing, or at least assisting in the establishment of, such a vehicle and helping to direct it.

To date, we do not see the industry using this resource material in creating its programs. If this does not occur, we must reassess the value of the Crystal Ball Committee work.

The committee feels its future work is to discuss and draw to conclusion, with cooperative interdisciplinary help, *one* specific topic per year or meeting. We plan to make only obvious and important revisions to our original base report.

In other words, we have now laid the ground rules and are ready to play the game!

# Notes

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