

WALKER TALK

SERVING LAWN MAINTENANCE PROFESSIONALS FOR YEARS TO COME

There's no magic in maintenance

- New Mexico campus keeps staff on its toes
- Taking the long view in Massachusetts
- Friendly competitors earn their stripes in Maine
- Understanding your financials



VOL. 32

WALKER TALK

CONTENTS VOL. 32

Maintenance is no mystery for this magician..... 3

Kennebunkport contractor gives all of his customers the presidential treatment.

Staff stays on its toes 6

The busy University of New Mexico campus and arboretum keep this maintenance staff plenty busy caring for its 680-acre setting.

Taking the long view 9

For this Massachusetts contractor, long-term success comes back to building relationships.



Earning their stripes..... 12

In Cape Elizabeth, Maine, these two young, friendly competitors share common bonds.

Bob T's Tech Talk..... 15

Understanding financials ... 16

Knowing how to grow your business requires knowing what to look for—and how to react.

Walker News & Products ... 18

WALKER TALK is published by Cygnus Business Media
1233 Janesville Avenue, Fort Atkinson, WI 53538.
Phone (920) 563-6388. Printed in the U.S., copyright 2008
Canada Post PM40063731. Return Undeliverable Canadian
Addresses to: (WALKER TALK), Station A, PO Box 54,
Windsor ON N9A 6J5.

WHAT ABOUT WALKER TALK?

I had written a little of the history of *Walker Talk* in Volume 25. With this column it seems a good time to answer a few questions people ask us about *Walker Talk*.



1: How do you get on the subscription list? Subscriptions are given (free) by request. Use the tear-out card included with each magazine, or request by phone, letter, e-mail or the Walker web site.

Another common question is, "I used to get *Walker Talk* in the mail, but now I don't. Why?" The answer is that the subscription is not perpetual for a lifetime, and the request for a subscription needs to be renewed every two or three years. From time to time, we have sent a renewal notice with the publication, but some folks don't get this mailed back, so a few of the oldest names are dropped off the list to make room for new subscriptions for the mailing of each issue. The way to prevent your name from being dropped is to renew your request—that is the only way we know that a reader wants to continue receiving the publication and it is not being wasted.

2: How do you pick the profile stories? We give preference to customers we have met face-to-face who seem to have an interesting story. We also look at letters of introduction from customers. These customers are all volunteers, and we prefer people who are not looking for promotion ("you need to do a story on me"). We look at keeping a good variety of locations, backgrounds, types and sizes of companies using the Walker Mower in their operation. We maintain a running list of prospective stories that reaches back 5 or 10 years to today.

3: Do you pay or compensate for profile stories? No, we never have. It is all voluntary. This approach is all about truth telling which I wrote about in Volume 29.

4: Is this publication worthwhile? The comments we get from our readers say that it is worthwhile. I have been particularly pleased to meet customers and have them quote back to me something from an article in *Walker Talk*—that means the publication is being read and remembered and is helpful.

We don't know for sure, but we think the *Walker Talk* helps us sell more lawnmowers. But regardless, that is not the main purpose of the publication. It is more of a community effort, supporting lawn maintenance activity, building the Walker Mower family and encouraging people in their opportunities—in that purpose *Walker Talk* has proven powerful. **WT**

For a look at some interesting *Walker Talk* facts, see page 18.

A handwritten signature of Bob Walker in black ink.

Bob Walker
President

PROPERTY MAINTENANCE IS NO MYSTERY FOR THIS MAGICIAN

He's known as "Viehmänn The Amazing" to people around town who have witnessed his magic act. Still, for most residents of Kennebunkport, Maine, and the surrounding communities, Dan Viehmänn and his wife, Melissa, are more readily identified as the landscape contractors who maintain their properties.

In business since 1990, Dan Viehmänn Landscaping provides a full array of maintenance services to more than 75 customers. Included are mowing, fertilizing, irrigation

installation and maintenance, landscape lighting, and landscape and hardscape installation. To keep busy year-round, the Viehmänn also offer a caretaker service to 16 of their high-end customers. The program involves checking on their homes during the cold winter months, coordinating visits with other contractors, and overall making sure the properties are in top shape in their owners' absence.

OUTDOORSMAN AT HEART

A Kennebunkport native, Dan says he has always loved the outdoors. That's one reason why, after receiving a degree in business from Northeastern University in Boston, he returned to his

home town to launch a lawn maintenance business with his brother, Greg. Called D&G Landscaping at the time, the company started small, with a used Chevy C-10 pickup, a Lawn-Boy push mower and a Snapper rear-engine rider.

"Those were interesting times," Dan recalls. "We had a wooden trailer that featured an old wooden tongue, of all things. In fact, my brother and I didn't realize the tongue was so old that it was rotten and ready to fall off. So, we were driving down the road one day, hit a bump, and spotted the trailer passing us on the left. It crossed in front of us, flipped upside down, and the Snapper ended up in a parking lot on top of a lady's Saab. Even though her spotless car had just returned from the body shop, she was very understanding."

The business relationship dissolved shortly after the incident, leaving the remaining partner on his own to grow his company—and he did. "For several years, I was very busy, but not making much money," Dan laments. "I peaked at about 80 lawns with six or seven employees, but was getting behind on payroll, taxes and other expenses. I was having a hard time applying my business education to my company until I met my wife, Melissa.

There's no magic when it comes to property maintenance for this husband and wife team. It comes down to taking care of customers and employees.





“Operating the steering levers with one hand and the speed control with the other almost comes naturally,” says Melissa.

“She stepped in to literally save the day,” Dan continues. “Melissa took over most of the accounting chores and encouraged me to finish up paperwork at the day’s end. Just like that, my business, our business, turned around. Today, Melissa works two days in the office on administrative tasks, and spends the other three days in the field operating one of our two Walker Mowers. I operate the other one.”

Melissa looks at her husband

and asks him to qualify his statement, which he gladly does. “She’s a much better operator than I am,” Dan adds without hesitation. “Her lines are straighter, and in three years, she’s only sheared one shear pin on the mowing deck. In other words, she’s a more careful operator, too.”

The Viehmans operate two 20-hp Walker Mowers, one with a 36-inch GHS deck and the other with a 48-inch GHS deck. The operators explain that using them

is akin to running a Kirby vacuum over their customers’ lawns. “Our clients love the cut, and the vacuum system allows us to mow without blowing clippings into flower beds,” says Dan, who claims that his wife is not only a superb Walker operator, but the only woman Walker operator in the area, as well. Adds Melissa, “It was easy to learn to operate the mower. Operating the steering levers with one hand and speed control with the other almost comes naturally, and I truly enjoy my time on the machine.”

SUCCESS FORMULA

In addition to maintaining properties, Dan flies both airplanes and helicopters. From time-to-time, he will ferry around aircraft for customers. In fact, he has flown a helicopter all the way from West Palm Beach, Florida, to Boston. It took two days flying at roughly 500 feet along the coast.

“Melissa took over most of the accounting chores and encouraged me to finish up paperwork at the day’s end. Just like that, my business, our business, turned around.”

Dan’s flying skills mesh with Melissa’s photographic talent; she does video editing on the side. The two will fly over and photograph properties during the year and give the images to customers as a Christmas present. As mentioned earlier, Dan also enjoys being a magi-

cian, something he learned years ago to help defray school expenses. In fact, this summer he has eight performances already booked.

When it comes to maintaining properties, though, the Viehmanns say that magic is not part of the

“I make a special point to thank all my clients for their business in a personal visit at least once a month, and never take any day for granted.”

equation. “It’s pretty simple,” Dan emphasizes. “We take care of our employees and our customers. Retaining employees is the first step. If you can do that, and train them to accommodate your customers, then you’re more than halfway home.”

The couple shows their appreciation to employees in several ways. First and foremost, Dan says he would never ask them to do something he wouldn’t do himself. There are cookouts and a bonus program that includes a Christmas bonus. Also, employees can redeem “bonus bucks.”

Melissa explains, “Throughout the year, we give out bonus bucks for exemplary performance.” For example, if a customer praises a crew or if employees go the extra mile to finish a job, we will award ‘make believe’ dollars that can be redeemed at a special gathering twice a year. For the occasion, Dan and I will go shopping for household and backyard items that employees can buy with their bucks. It’s a fun time, and just



Dan and Melissa give all their customers presidential treatment.

another way of saying thank you.”

Employees are also supplied with full uniforms, including shirts, pants and hats; everything but the shoes. They look professional and they act professional. As Dan and Melissa point out, property owners are usually uncomfortable if they cannot identify who is on their property. The uniforms remove any doubt. Dan says they also encourage employees to be courteous and ready and willing to talk with homeowners. “After all, customers are not a disruption, they are the reason we have a business,” Dan adds. “I make a special point to thank all my clients for their business in a personal visit at least once a month, and never take any day for granted.”

TOUCH OF GREATNESS

Kennebunkport is well known as the vacation home for President

Bush. No, the Viehmanns don’t mow his lawn, but Dan has done some work for the former Commander in Chief. “He inquired about doing some excavation work around a pond,” Dan recalls. “I walked around the area with him and provided a few suggestions, along with a quote. He agreed, and I did the work. He was very gracious, and sent a kind thank you note after the work was done. It was a great experience, and I will probably hang onto the note forever.”

Just another job? Hardly. But Dan and Melissa like to give all their clients presidential treatment. There’s nothing magical about that. Instead, it’s a matter of treating their employees and customers with respect—and showing appreciation for their loyalty. **WT**



Willie West (standing) with turf tech Alex Caulfield. Of West's 65-member staff, 51 are dedicated to maintaining the grounds.

Busy campus and arboretum keep maintenance staff on its toes

Your son or daughter plans to tour the University of New Mexico (UNM) in Albuquerque. What can he or she expect to see? Southwestern architecture and an abundance of cacti and native landscape? You would be right on the first count, but wrong on the second.

UNM's campus features an interesting blend of Pueblo Revival architecture, but it is as green as its more northern peers. In fact, the entire 680-acre setting is a nationally recognized arboretum, with an abundance of beautiful trees, 302 acres of landscaping and 55 acres of turf.

Maintaining the campus is the responsibility of Grounds and Landscaping Manager, Willie West. In addition to keeping the landscaping in top shape for the school's 32,000 students, West's staff also oversees a 1,000-zone-plus irrigation system; runs the sign, welding and small engine repair shops; manages staff and faculty moves; coordinates special events; performs all of the campus refuse removal; and spends more than 200 hours a week removing litter and trash from the grounds, among other responsibilities.

"One of our biggest challenges here is the sheer number of people," says West, who joined the UNM grounds staff in 2002 after working for two area landscaping companies. "In addition to students, there are several thousand faculty and staff members, not to mention a huge number of visitors daily. UNM also hosts 300 weddings a year and a number of other events that need to be coordinated." West goes on to explain that the school is home to the state's only Level One Trauma Center. Needless to say, West and his staff are busy year-round.

TURF TALK

Of West's 65 staff members, 51 are dedicated to maintaining the grounds. Mow crews are busy four days a week for nearly 10 months out of the year. They head out Monday mornings with three Walker Mowers (one with a 36-inch GHS deck and two with 48-inch GHS decks), two wide-area mowers (a 72-inch Exmark and a 72-inch Jacobsen) and a couple of Exmark 21-inch walk-behind mowers.

"In addition to students, there are several thousand faculty and staff members, not to mention a huge number of visitors daily."

"I have been using Walker Mowers since 1988, and I thought they would be perfect for this application," West explains. "They're compact, maneuverable and stable—something we require for our undulating terrain. I've always liked their mowing pattern. We also use several attachments, including the aerator, snowplow and dethatching rake. We've discovered that the rake has a dual purpose on campus; in addition to removing thatch, it is also ideal for gathering pine needles."

West says his two wide-area mowers are necessary for mowing areas like Johnson Field, a large, all-purpose venue that hosts concerts, rallies, intramural sporting events and other outside events. Both mowers, he notes, have excellent ground speed and offer good visibility for operators, a very important attribute when mowing on a busy campus.

Also important when mowing and maintaining a campus is timing. Crews

strive to maintain landscaping and turf that's adjacent to classrooms early in the morning. Then they head to the dorms mid-morning while students are attending classes. The use of low-decibel Stihl and Echo backpack blowers helps minimize invasive noise.

GREENER YET

UNM's grounds manager asks this question: "If you were a student, would you rather sit around outside on a desert floor surrounded by cacti, or be enveloped by green grass and shade trees?" The answer is obvious, yet Albuquerque's difficult hardness transition zone and the school's foot traffic pose a few unique challenges.

"Winters can be mild and produce little snow, or they can be tough like the one we had two years ago," West relates. "That's when we had 22 inches of snow in one day and the city was shut down for a week. We kept the school open, but not without a struggle."

"This is not the ideal environment for Bermuda grass, which goes dormant for six months and doesn't hold up well under a lot of activity. Instead, most of our turf is comprised of a hardy,



It takes three Walker Mowers and two wide-area mowers to mow UNM's 55 acres of turf.

bluegrass/rye mix that is green and inviting nearly 10 months a year. The unpredictable weather, including the strong winds like we have today, can be tough on landscape plantings, too.”

West explains that the university has a mandate from the state and university president, Dr. David Schmidly, to become a leader in the sustainable landscape movement. Although the arboretum setting already keeps the school’s carbon footprint small, West and his staff are looking for ways to make it even smaller. He plans to try out a couple of mulching decks on his Walker Mowers this year, and the school is gearing up to use alternative fuels in more of its fleet of trucks, cars and utility vehicles.

Water conservation is a big issue in Albuquerque. Upgrading UNM’s irrigation system with technological enhancements is ongoing and has already saved millions of gallons of water a year. “The savings in dollars may not be that much, but it’s the principle and a big step in the right direction,” adds West. “The school and the city currently get their water supply from a huge underground aquifer through a series of wells. There’s plenty of water now, but studies indicate that the aquifer is shrinking. Conserving water, along with plans to utilize water

from the Rio Grande, will help ensure the water supply for years to come.”

OLD VS. NEW

UNM is 110 years old, and West shares some of its natural and manmade highlights on a tour of the campus. “The Duck Pond,” he points out, “is a popular gathering place for students, and alumni often choose the site for weddings. Notice the faculty member holding class to our left. This is a typical sunny afternoon at UNM, and teachers often take advantage of the green grass, shade and beautiful weather to hold classes outside.”

“This is our new architecture building,” West goes on to say as our utility vehicle passes by a very large, modern-looking structure. “Unlike most of the older buildings on campus, this one features lots of open space inside. But I still prefer the old architecture.”

The oldest building on campus, now Alumni Hall, was built in 1909. West stops for a short visit there, and then provides a quick tour of the library—an interesting contrast of old and new. In the newer section, students employ computer technology to conduct their research and prepare for classes. A short walk to the old part leads to several small reading rooms and a great hall highlighted

by hand-crafted beams.

Outside once again, West winds the vehicle along a shaded pathway, now and then finding a small area of turf under stress. Ever protective of the campus landscaping, he muses that sidewalks shouldn’t be poured until well after a new structure is up and running. After all, he says, students will ultimately find the best way to navigate around the building, and it likely won’t coincide with the builder’s plan.

His last stop is at the statue of the college mascot, The Lobo (Mexican wolf), and then it’s back to his office.

When asked to compare working for a university to working in the private sector, West shrugs his shoulders and says, “Yes, there are differences. In the private sector, there are sales goals to meet and changing market conditions. You don’t have that in a university setting, at least not in my department. Customers are different, as well. Large universities such as UNM have a cross section of students, faculty members and visitors. And, as I mentioned earlier, their sheer number creates a challenge for our grounds staff.”

West emphasizes that in both environments, though, customers share a common bond: an appreciation for well-landscaped and maintained grounds.



The UNM mascot: The Lobo, aka a Mexican wolf.



UNM’s 680-acre setting is a nationally recognized arboretum.

Taking the long view in Massachusetts

Jim Martin, owner of James A. Martin Co. Inc. in Burlington, Massachusetts, is celebrating his 30th year in business. He makes no bones about it either. He attributes his success and longevity to people—from wife, Sue, and childhood friend, Steve Archibald, to each and every one of his 14 employees, not to mention his dealer, PRO Equipment.

“You can talk about the ups and downs over the years, the individual successes and growth, but everything comes back to building relationships,” relates Martin, who likes to say he still attends the University of Hard Knocks in the School of Continuing Education. “Sue is great and keeps me on track. Steve, who has been with me from day one, keeps our equipment running in top shape, and the rest of our employees make up the heart of the company. Our suppliers like PRO Equipment

“You can talk about the ups and downs over the years, the individual successes and growth, but everything comes back to building relationships.”

have been an additional resource and have given us a wealth of information over the years.”

It has been a steep learning curve, Martin admits. He and Steve started mowing lawns in 1978 with two Sears push mowers, which, he claims, they literally ran behind to mow. They grew residential accounts until one day Martin says he got up enough nerve to make a cold call on a commercial account, New England Telephone, right in town. The call paid dividends, and the small company started to transition to the commercial marketplace.

Today, James A. Martin Co. Inc.

The James A. Martin Co. team: Front row, left to right, sitting on Walkers: Mike Dasaro, Dave DeTomas, Jay Leary, Georgianna “G” Richardson. Back row, left to right, standing: David Martin, Anthony Scenna, Sean Leary, Steve Archibald, Jim Martin, Chris Aquaro, Nate Sayer, Tim Nickerson. Missing from photo are team members Jerry D’Entremont and Sue Martin.



hangs its hat on providing year-round maintenance for commercial clients in the Boston suburb of Burlington and surrounding communities. In addition to mowing, the company does landscape installation, bark mulch application, parking lot sweeping, snowplowing and light excavation.

"We've been fortunate to be in the right place at the right time," says Martin. "Our company has grown with this community. As new businesses came in, including many high-tech companies, we were able to get and keep their business." Retention, he adds, is key to growth, and he's not just talking customer retention.

"Employee retention is critical to success, and very difficult to achieve in northern markets," Martin points

The mulch truck saves countless hours. "There's no secret to this business," Martin says. "You have to operate efficiently."

out. "We've been able to keep all our employees on our payroll year-round, in large part by being creative in the winter. We plow snow for all of our commercial accounts, repair equipment for contractors and keep our people busy with other tasks around the shop."

James A. Martin Co. Inc. offers health insurance and a retirement program for associates. The combination of year-round employment and benefits—and treating employees fairly—engenders a high degree of loyalty. "As a business owner, you have choices," Martin notes. "You can look solely at the bottom line and try to squeeze as much money out of your company as you can, or take the long view and settle for a little less." In his mind, retaining employees, finding ways to keep them employed year-round and offering benefits is another way of investing in his company and future.

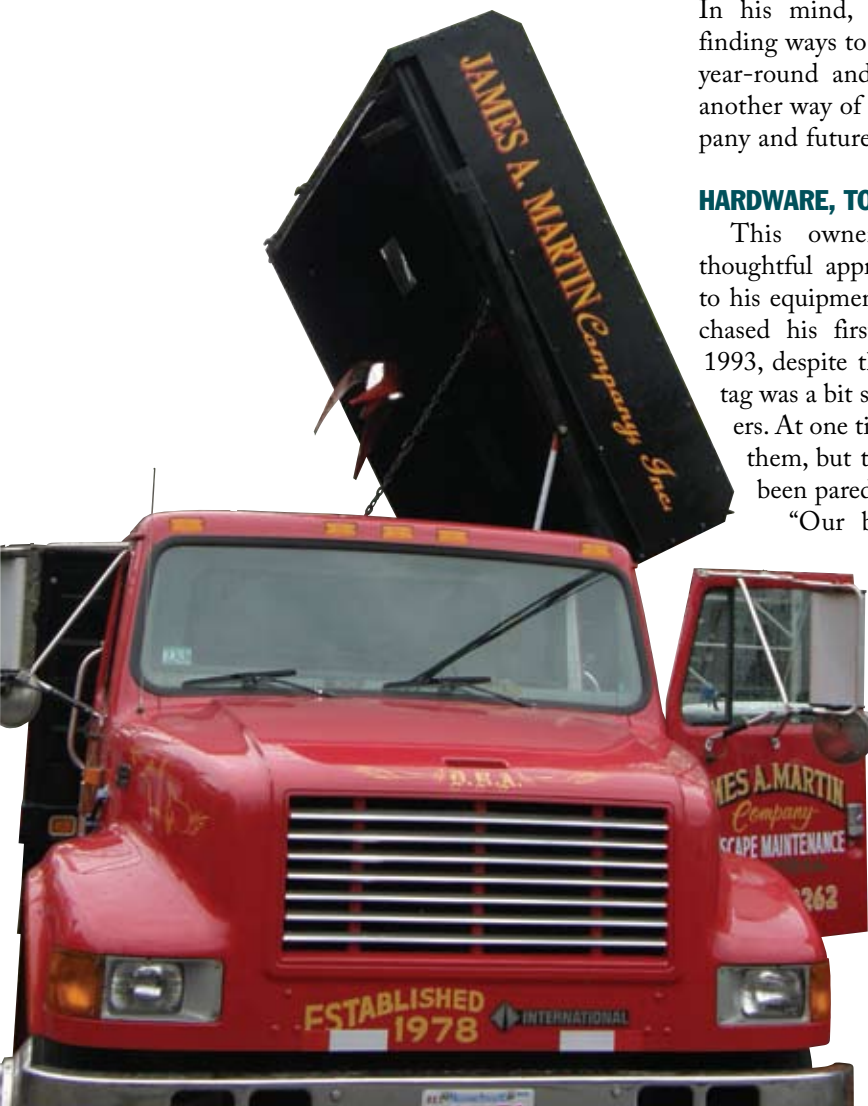
HARDWARE, TOO

This owner takes the same thoughtful approach when it comes to his equipment purchases. He purchased his first Walker Mower in 1993, despite the fact that the price tag was a bit steeper than other riders. At one time, he operated 11 of them, but that number has since been pared back to six.

"Our business has evolved and we do less mowing than we once did," Martin explains. "We also discovered that Walker Mowers, although expensive, were so efficient that we didn't need as many as we first thought."



A hinged top allows drivers to use this truck for several applications.



He goes on to say that all his mowers have diesel engines and feature 48-inch GHS decks. "We've been using the diesel engines for 10 years," Martin points out. "They last longer than gas engines, and are more fuel-efficient. A diesel, for example, will burn one tank of fuel compared to two for its gas counterpart. Even with the high price of diesel fuel, we still save money."

When asked what he likes about his Walker Mowers, Martin replies, "They are highly maneuverable, comfortable and operator-friendly. They are also versatile and have a



one reason he has three broom attachments for his Walker Mowers. “The rotary broom attachment is incredible,” he adds. “During the winter we use tons of sand to keep parking lots clear of ice. The sand gets into the turf, and crews used to rake out the sand by hand in the spring. Now, we just move the sand into the parking lot with the broom attachment and pick it up with our larger street sweepers. Let me tell you, the broom is a life saver.”

The Burlington native is always looking for ways to be productive and efficient. Crews occasionally have to mow in the rain with their Walker Mowers, another reason Martin purchased them. He touts his long-time friend, Steve, as a mechanical wizard, while adding, “Full-service companies like ours have a huge investment in equipment. It is imperative to make the best use of all our equipment.”

Martin steps outside the shop to give an example. “Notice the hinges

and the hydraulic cylinder on the truck’s box. Steve installed a mechanism that allows us to use the truck with our Giant-Vac for debris collection, but the driver can also hinge up the top for hauling mulch. Pretty slick, and it saves us a truck.” Martin says it also pays to assign employees to their own mowers. They not only become familiar with their operation, but take ownership, as well.

The owner looks around and says, “There’s no secret to this business. You have to operate efficiently, and we’ve found that there’s an advantage to being diversified. As an example, at one time our company contracted out parking lot sweeping. We now have four street sweepers. Property managers like to deal with one company, and keeping the work in-house makes more work for our employees.”

Again, he re-emphasizes, his success is built on retention—retaining customers and employees—aka, taking the long view. **WT**

great collection system.

“The mowers are so helpful in the fall,” Martin continues. “It’s like having an extra man in the field. There’s no raking. We just collect the leaves with our mowers and vacuum them into our truck. Here, we have such a small window of opportunity to pick up leaves that we have to be efficient.”

Throughout his career, Martin has often reflected on a friend’s advice to work smarter and not harder. That’s

Jim Martin (right) with childhood friend and long-time employee, Steve Archibald.



Earning Their **STRIPES**

Friendly competitors share common bonds

Brad Pearson is a Chevy man, but Nick Tammaro drives Fords. Brad's company, Pearson's Anything Goes, mows and maintains primarily residential accounts, but Tammaro Landscaping provides full-service landscape management services to commercial customers. Pearson is 18 and Tammaro is 23. Are they as different as night and day? Hardly.

The two young contractors started mowing lawns while still in middle school, apply their trade in Cape Elizabeth, Maine, and operate Walker Mowers. Although not strictly competitors, they have bid on the same properties. "No hard feelings either way," they concur. "As long as our customers support the local folk, we are happy."

SIMILAR PATHS

Pearson and Tammaro poke fun at each other as they recall their early mowing days. Pearson started mowing lawns 10 years ago, working with his brother, Casey, and father, Carl. He was only eight years old at the time, but already knew that he liked mowing with his small John Deere rider. Tammaro was only slightly less decisive. He, too, started mowing at an early age, hauling around a Toro push mower in a trailer pulled by a Craftsman rider (without a mowing deck).

At age 16, Pearson and a buddy were mowing between 65 and 70 lawns a week with two Walker Mowers. At the same age, Tammaro had already purchased a pickup even before he had his driver's license, and had lobbied his mother, Sally, to drive him around to accounts. He, too, operated two Walker

Mowers. As seniors five years apart, Pearson and Tammaro each opted to complete their last year of school in a work/study program that allowed them to attend classes in the morning and operate their growing businesses in the afternoon.

"Look at those stripes," says Tammaro, pointing to one of Pearson's properties. "I could do better than that with my eyes closed." Of course, he's only joking around, but both operators say that's one of the main reasons they operate Walker Mowers. "Nothing compares to their striping," they exclaim. "They're also durable, compact, and great for picking up leaves and other debris. Walkers are also 'the thing to have' in Cape Elizabeth," Tammaro adds while slightly grinning.

Brad Pearson (left) is a Chevy man, while friendly competitor Nick Tammaro drives Fords. One of their common bonds is the Walker Mower.





UPSCALE CUSTOMERS

Located on Maine's picturesque coast, Cape Elizabeth is a haven for affluent homeowners, many of whom spend only a few weekends a year at their second property. When on-site, though, they want to enjoy their lawns and landscapes as much as they do the water and their free time. That's where Pearson and Tammaro come in.

Pearson, with high school buddy Dan Matusko, operates one mowing crew that maintains between 110 and 115 lawns a week. Two Walker Mowers, a 20-hp model and a 23-hp model, both equipped with 48-inch GHS decks, do the brunt of the work. A third Walker Mower is used exclusively to edge walks and drives.

Father, Carl, and brother, Casey, have since moved on from the mowing business, the family having recently purchased a garden center in Cape Elizabeth. Still, both were instrumental in the evolution of the

business. "I worked with Casey until I was able to drive on my own, and dad was involved in the business until he was diagnosed with cancer," Pearson relates. "At the time, he turned the accounts over to me and I've been operating the business since then. Dad is doing well, and the garden center is keeping everyone busy.

"Nothing compares to (the Walker Mower's) striping. They're also durable, compact, and great for picking up leaves and other debris."

"We've been using Walker Mowers since 2002, the year we purchased an 11-hp model with a 42-inch GHS deck," Pearson continues. "We purchased a 13-hp Walker the next year. At the time, we were mowing 35

Even though Cape Elizabeth's affluent homeowners may spend only a few weekends a year on their properties, they want their landscapes in top shape.

lawns." The Pearsons added 10 more lawns and a new Walker the following year, and kept up the theme, adding Walkers and lawns until present day.

Says Pearson, "The Walkers are perfect for our properties, and nothing on the market can compare to their cut—which is something our customers appreciate."

Tammaro agrees, noting that virtually every contractor in the area mows with a Walker. With a five-year headstart on his friend, Tammaro's business is bigger and more diversified. He employs nine people during the business season and owns four Walkers that help maintain 80 to 100 accounts a week. In addition to mowing and maintaining properties, his company also does hardscaping, light excavation, hydroseeding and landscape installation.



Brad Pearson (left) with mowing buddy Dan Matusko, and Nick Tammaro with employee friends Walter Knight and Richard Dunning.

"I gave home construction a try after I graduated from high school, but decided I wanted to go back to my roots after just a few months," Tammaro relates. "My parents gave me a good work ethic, which is why I enjoy working. They've supported me from the very beginning. My mother still maintains the books."

Tammaro continues, "In addition to Pearson's company, there are probably only a couple other area contractors who we consider to be competition. I think we're all fair in our pricing and provide a good value for our customers. Sure, customers will switch from one to another every so often, but it's not because of price. I think they just want to try out a different service."

No matter what lawn service they try, Tammaro adds, chances are it's a Walker doing the work ... and making the stripes. **WT**



Brad Pearson and Nick Tammaro say that as long as customers support the "local folk," they're happy.

BOB T's TECH talk

Design by Intent

While on a recent flight, I pulled out the airline magazine and began thumbing through it, scanning the titles with hopes that one would catch my interest and help fill the seat time. Strangely, what caught my eye was an advertisement with the words “Exercise in exactly four minutes per day” followed by \$14,615.

Those words and the figure were cause for numerous thoughts racing through my mind. “How could four minutes of exercise a day possibly do anything for anybody?” “Bogus and false advertising for sure.” “\$14,615!!” “\$14,615!?!?!?!?” I’ve bought and sold or given away my share of exercise equipment that quickly became convenient clothes hangers or dust collectors. \$14,615 – I must check out the extraordinary claims.

The contraption is unusual if not odd. “If you value your time at more than \$5 an hour ---” “is for people from 10 to over 100 ---” “adapts its resistance every second ---” “helps to balance blood sugar---” and then “too good to be true?” I’ll say.

This led me to think about our “little yellow mower” and its simple yet effective design. No fads, no frills, just a “get’er done” fast, easy and beautiful. One doesn’t need an engineering degree to see that the Walker was not designed to get a high rating in a wind tunnel or challenge one’s dexterity or cranial aptitude.

I’ve been working at Walker Manufacturing Company for almost 16 years. During that time I’ve been privileged to observe the evolution of the tried and true models as well as the creation of new models. Dean Walker has amazed me time and again. I’ve witnessed verbal ideas and sketches become wonderful mowing machines. To be sure, a Walker will not be like—or even close to being like—any other mower on the market. We will never be accused of copying. So what makes a Walker a Walker?

FAST! There’s a lot of emphasis being put on speed today. Speed has many definitions. “Shortest time between two points.” “Least amount of time to complete a task.” We have focused on the latter in conjunction with quality of cut. Recently we introduced our model MBS (Super B) that is capable of 9 mph.

This begs the question: Will a truly “manicured” cut more likely occur at 3-5 mph or 9 mph? One doesn’t have to ponder that question long. Can you “cut” grass at 9 mph? Of course, if the look is not that important. Remember the story of the tortoise and the hare? That’s the way the Walker operates. Steady and consistent—that’s how the job gets done faster and looks good.

EASY! Keeping it small and nimble has always been a driving force. All Walkers are zero-turn, but that’s not enough. Easy, finger-tip steering is a must. That in conjunction with our FSC (Forward Speed Control) reduces steering fatigue. That means operators will enjoy their time mowing, evenings with family and weekends a whole lot more. “Bigger is not always better.”

BEAUTIFUL! Forget about fluff and gadgetry. The Walker is designed to perform exceptionally for a specific task and “give a notable manicured look”. This is very apparent in our deck design. Dedicated decks will typically outperform multi-purpose decks. Making a single deck do any combination of catch, side-discharge and mulch means compromise in one or all functions.

We currently offer two side-discharge decks that can be converted to mulch. In both cases the primary purpose was first side-discharge, and if a mulch kit would do an acceptable or better job of mulching, then that’s an added bonus. I’ve heard non-Walker cutters say, “Look at that yard. It must have been cut with a Walker.”

ECONOMICAL! What does the Walker cost? We’re not the least expensive mower. Our pricing is more towards the upper end. But our cost of operation is comparable to most. Getting the job done fast and efficiently with dependability will make you money. The word “consistent” best describes the economic benefits of a Walker.

Let’s go back to where this article started. Is there an exercise machine worth \$14,615? Yes ... if it will do what they say it will. Is a Walker Mower worth its cost? Yes ... because it will do what we say it will. **WT**

Understanding Financials

Knowing how to grow your business requires knowing what to look for—and how to react.

By Rod Bailey, CCLP

Are you really making any money? What part of your business is most profitable? How do you handle depreciation? Do you have enough cash flow to support your growth? How do you compare to others in the industry? When can you afford new people and equipment as you grow?

If you cannot answer these questions, not to mention many others, it means you are either not getting good, management-oriented financial information or you do not understand what you are or should be getting.

The plain truth is that many business owners do not understand their financials. They simply started their business, bought off-the-shelf software for an accounting system, and implemented the simplified Chart of Account included with it. Their CPA does the annual tax return and prepares a Profit & Loss Statement and a Balance Sheet for their position at the end of the year. Their software printouts give them an up-to-date status anytime they want to print it out. This is all they need, right? Wrong.

THE BARE MINIMUM

Successful owners understand their financials and know how to use them in planning and guiding their businesses into the future. Your financials consist of:

- Profit & Loss Statement
- Balance Sheet
- Statement of Cash Flows
- Budgets (Short and Long Range)
- Cash Flow Projections
- Operating Ratios
- Job Costing
- Bidding and Pricing Computations

Knowledgeable owners understand and work with these documents on a

Chart 1: Profit & Loss Statement

Category	Amount (Percent)	Budget (Percent)	Variance
Sales & Revenue	\$98,000 (100%)	\$100,000 (100%)	(\$2,000)
Direct Cost	\$58,000 (59.18%)	\$56,000 (56%)	(\$2,000)
Gross Margin	\$40,000 (40.82%)	\$44,000 (44%)	(\$4,000)
Indirect Expenses	\$15,000 (15.31%)	\$12,600 (12.60%)	(\$2,400)
Contribution	\$25,000 (25.51%)	\$31,400 (31.40%)	(\$6,400)
General & Admin	\$24,800 (25.30%)	\$26,500 (26.50%)	\$1,700
Profit Before Tax	\$200 (0.21%)	\$4,900 (4.90%)	(\$4,700)

regular basis, understand that they are all related to one another, and use them daily to steer their businesses. This is the minimum information you need to manage your business.

Successful owners understand their financials and know how to use them in planning and guiding their businesses into the future.

Why do you need to understand them? You need to understand them to successfully guide and develop your business. The first time you approach a bank or bonding company, or ask for significant vendor credit, these people will ask you for your financials. They will analyze them and give you a response. It is important for you to understand your financials at the same level as their analysis so you will anticipate and understand the response you get.

Many contractors think that the Profit & Loss and Balance Sheet Statements included in their CPA-prepared tax returns at the end of the year are adequate financials. Nothing could be further from the truth. These statements are prepared to minimize or defer the income taxes you have to pay. They give you little in the way

of useful management information. They tell you what happened in the past, but say nothing about what is happening now, or what should or will happen in the future.

Look briefly at an abbreviated Profit & Loss Statement (Chart 1).

Wow ... you made \$200 ... at least you were profitable. Yes you were, but you had planned to make \$4,900—and that's a lot more profitable. What went wrong?

Now suppose you had all the subcategory line items filled in with data, and your budgets and reports were broken down by each department or service line you have. You would really have some valuable information for deciding where your costs were out of line and where you should direct your efforts toward improvement. Do your financials give you the information shown above? They should.

Now let's look briefly at the Balance Sheet for the company (Chart 2). Then look at a few comparative ratios (Chart 3).

FACING THE FACTS

Looking at the financial numbers in the charts, we should be able to get some insights about our low profitability relative to industry norms.

Failure to keep expenses on budget. From the Profit & Loss Statement, we



Chart 2: Balance Sheet

Category	\$ Amount	Percent	Typical %
Current Assets	\$7,000	29.41%	50.70%
Fixed Assets	\$20,000	84.03%	60%
Depreciation	- \$5,000	21%	14.50%
Net Fixed Assets	\$15,000	63.03%	45.50%
Other Assets	\$1,800	7.56%	5.20%
Total Assets	\$23,800	100%	100%
Current Liabilities	\$8,000	33.61%	23.70%
Long-term Liabilities	\$10,000	42.02%	28.70%
Total Liabilities	\$18,000	75.63%	52.40%
Owner's Equity	\$5,800	24.37%	47.60%
Total Liability & Equity	\$23,800	100%	100%

Chart 3: Comparative Ratios

	Our Company	Industry
Current Ratio	0.875	2.10
Debt to Equity	3.10	1.10
Sales to Fixed Assets	6.53	8.60
Current to Fixed Assets	0.4667	1.03

noticed that our Gross Margin is low (40.8% vs. 44.0%) and our Contribution Margin is low (25.5% vs. 31.4%). Our General & Administrative Expense is close to being OK, so our main problem lies in expense control vs. our budget.

Inadequate return on equipment investment. Looking at the Balance Sheet data and ratios we have computed, we note that we are definitely Fixed Asset-heavy. Our Fixed Asset ratio is 84% vs. 60% norm, and Net Fixed Assets are heavy at 63% vs. 45.5%. Financing this equipment has left us with both high Current Liabilities (33.6% vs. 23.7%) and high Long-term Liabilities (42% vs. 28.7%).

Unfortunately, our heavy investment in equipment has not converted into increases in efficiency or field operations like we thought it would when we developed our budget. We either need better training on how to use the equipment, or must admit that we love our iron too much and we just have too much of it.

Low profits and high debt. Our low Current Assets ratio of 29.4% vs. 50.7% indicates that lack of profitability and high debt burden have limited our ability to build up the Working Capital we need to support our business without turn-

ing outside to borrow more debt.

Is the bank likely to float us a big loan right now to get through the next season? That's not likely because our Debt-to-Equity ratio is at 3.10, which is at the upper limit most banks would be willing to accept. Banks prefer a 1.0 ratio and will usually go to 2.0 if they think we know what we are doing. Unfortunately our P&L—and our ability to hit budget—doesn't indicate that we know what we are doing.

SURVIVAL OF THE FITTEST

What should we do to survive? First of all, dump the big equipment. Would a small walk-behind digger work as well (if not better) than the skid steer or the backhoe rusting away out in the yard? Would a 42-inch zero-turn be more efficient than the 16-foot batwing mower we thought we needed? We need to reduce our debt burden substantially so the bank likes us again. It looks like we might want to focus on training our field personnel better with the smaller equipment and work on improving efficiency to improve our direct costs.

It's hard to draw much more out of the

data I presented at this highly summarized level. More detailed analysis could come from the full detail statements we should be receiving. It is amazing, though, that we were able to reach some major directional decisions with just this scant information.

That is the point of this article. You can't run your business and guide it properly without a good understanding of the financials that underlie it. In the case presented here, I would recommend that additional training isn't just necessary for the field troops. We could use a little financial management training in the "Head Shed" too. **WT**

Rod Bailey is a green industry consultant and veteran landscape contractor with more than 40 years of experience in the industry. He specializes in financial management and strategic planning, and can be reached at rodbailey@hotmail.com or by calling (206) 612-2704.



WALKER REUNION – FINAL DETAILS

The final touches are being put on the Walker Family Reunion on August 1-2, 2008, in Fort Collins, Colorado.

- Walker Mower #100,000 is in the planning stages and will be a unique build. Don't miss it!
- Factory tours are open on Friday only.
- There are many great giveaways, including two \$500 cash prizes, five Walker Mowers and a number of other nice prizes.
- Champions from all over the world are planning to be here to see who is the best Walker Operator in the World.
- Delicious food from local vendors
- Bring the kids – they will have a ball – adults will too!
- Awesome entertainment lineup
- Join us for a Worship Service at 9 a.m. on Sunday (August 3) at the Main Stage.
- Late registration is still available online at www.walkermowers.com, but on-site registration will be at an increased price.

Click on www.walkermowers.com for final details.

WALKER TALK STAT BOX:

Purpose: Helpful, inspiring, updating information for professional, private and prospective Walker Mower owners.

First Issue: September 1992

Frequency: Two times per year, January and July
Pages: 20

Quantity Printed: 50,000 each volume

Distribution: 25,000 mailed to subscription list; balance distributed by Walker distributors, dealers and Walker factory

Subscription: Free upon request

Back Issues: View online at www.walkermowers.com; hard copies of some of the back issues are available from the factory

Editors: Rod Dickens (Cygnus) and Tim Cromley (Walker Mfg.)

Publishing Company: Cygnus Business Media, Fort Atkinson, WI

WALKER WARE NOW OWNED BY WALKER MANUFACTURING

In December 2007, Walker Manufacturing purchased the Walker Ware company from Malander Clothing and Collectible (Janey Malander is Bob Walker's daughter). Walker Ware was originally started in 1992 by Nina Rattle, Bob and Dean Walker's younger sister. Janey Malander then took over the business in 2004.

As Walker Ware has grown across the years, it has moved from a home-based, part-time business to the point that it needed to become a full-time operation. Now that has been accomplished with Walker Manufacturing taking ownership.



With the new ownership, several steps have been taken to expand Walker Ware. A full-time Walker employee, Mr. Will Merrick, is managing and working in Walker Ware, and a new retail store/warehouse has been constructed within the factory facility. The



new location provides storage of products, processing and packing of orders, and retail sales to factory visitors and Walker employees.

Although Walker Ware is being operated as a separate business, with Walker Manufacturing backing, Walker Ware customers can expect to see an expanded range of products and growing capability to

provide excellent service to customers. For those who are able to come to the factory for a visit and tour, plan to stop by the Walker Ware store and do some shopping.

▲ Mr. Will Merrick is managing and working in Walker Ware, while a new retail store/warehouse has been constructed within the Walker Manufacturing factory facility. ▼



RECALL BULLETINS ISSUED

Recall Bulletin #08207, affecting MT/MD GHS units equipped with the Hi-Dump option, S/N 05-001 thru S/N 08-1707, upgrades the electric system to make the Hi-Dump operate only with the ignition key switch “On” which prevents inadvertent operation and improves safety.

Recall Bulletin #08208, affecting MTL25/MTL31, S/N 07-89538 thru 08-97111, installs redesigned muffler, exhaust pipe, baffling and shielding to prevent debris from collecting on hot parts of the machine with the potential of starting a fire in the engine compartment. Compliance with this bulletin is considered urgent and mandatory due to the potential of fire, personal injury and equipment damage.

All owners of affected units are encouraged to have their machines updated free of charge by contacting their local dealer (contact the factory if there is difficulty finding your Walker Dealer).

SUPER B GOES FAST, COSTS LESS

After the first full season since the introduction of the Walker Model Super B (MBS), market reports from Walker distributors and dealers are positive, and the Super B is filling the niche intended when it was designed.

Customers are finding that the Super B is competitive in mowing applications where the mantra is “goes fast, costs less”. This kind of “chop and drop” mowing has been dominated by the mid-mount style, zero-turn riding mowers in many areas for the last 10 years. Now it appears the Super B is meeting the competition head-to-head with speed and price, and at the same time offering the benefits of the Walker front-cut design such as high-quality mowing, user-friendly servicing (tilt-up deck), good handling on slopes and excellent trimming capability.

MULCH KIT FOR SUPER B

A kit of bolt-in baffles is available to convert the Super B mower deck (DSD60) from the standard side-discharge configuration to mulching operation. Order P/N 2691.



SUPER B DECK ADAPTER

An adapter kit for the Super B (MBS) has been developed to allow side-discharge and mulching



decks (48” to 74” sizes) from other Walker Mower models to be used on the Super B.

The Super B was designed to use a dedicated 60” side-discharge mower deck, but with the adapter, the deck mounting geometry is the same as used on all the other Walker Mowers. At this point, the adapter only works with mower decks and does not work with the other attachments for Walker Mowers. Order P/N 2430-10.

MODEL MB WITH REMOTE AIR CLEANER

Introduced as a 2008-1/2 mid-year Model MB design change, the 18-hp Briggs & Stratton Vanguard engine used in this model is now equipped with a plenum air intake and remote-mounted, heavy-duty engine air filter (similar to air filter system used on other Walker Mowers).

The remote canister-style air filter system offers improved air filter performance with pre-cleaner action, secondary safety filter, air restriction indicator, and reduced maintenance requirements in



comparison to the standard engine-mounted air cleaner used on earlier units. This is a new specification engine; earlier engines cannot be upgraded to the new configuration, so no retrofit kit is available to upgrade earlier units.

Please send to:
P.O. Box 47
Fort Atkinson, WI 53538-0047

Change Service Requested

Presorted Standard
U.S. Postage
PAID
Lebanon Junction,
KY
Permit # 246

SUPER B



Take a Test Drive Today



**INDEPENDENT
INNOVATORS**

High Production Mowing

WALKER MOWERS™

5925 E. Harmony Road • Fort Collins, CO 80528 • 970.221.5614 • www.walkermowers.com