



Report from The 2006 Industry Summit

This is the compiled and refined results of discussion by participants at the Industry Summit hosted by the Independent Turf and Ornamental Distributors Association this past October. Following presentations from various segments of industry, the attendees engaged in small group discussion about the challenges faced and possible ways to address some of those challenges.

Issues that challenge a positive long-term impact on the turf and ornamental industry

- 1) Complacency toward legislative and regulatory issues* (priority issue)
- 2) Poor relationships between distributors and manufacturers* (priority issue)
- 3) Lack of product innovation (packaging, formulation, new a.i., etc.)
- 4) Poor salesmanship skills
- 5) End user complacency (legislative, value, etc.)

The lists below were created through "Six Thinking Hat®" exercises. These lists address each issue, with suggestions of positive steps that can be implemented by suppliers and distributors of the industry

Complacency toward legislative and regulatory issues

- 1) Join and support RISE
 - encourage all non-member companies to join
 - encourage ITODA to become more involved with RISE
 - identify an individual from your company to become involved with the grassroots initiative
 - bring RISE programs to your area/ ask a RISE representative to speak to your company and customers
 - advertise through local media that you support RISE
- 2) Encourage ITODA and RISE to distribute newsletters, brochures, internal and external mailings, press releases
 - encourage RISE to make use of the website to share information and strategies with distributors
- 3) Customer involvement
 - offer incentives and rewards to encourage customer involvement and support
 - survey customers about their concerns and knowledge of these issues
 - create a database of customers who are interested in being called in to action to implement activity when needed
- 4) Employee involvement/ awareness
 - encourage employees to become locally involved and to contact local legislators about specific issues
 - encourage RISE to have their grassroots advocate train and inform your employees
 - ask RISE to provide a CD/DVD to use for training
 - make employees aware of the outcomes of activist activities (i.e., loss of jobs) to gain commitment from all levels of the company
 - encourage company representatives to become more involved with the outside community
- 5) Involvement in legislative and political issues/ activities
 - get elected so that you are active in local affairs and organizations
 - become active in local school boards, planning boards, etc. This will give you opportunity to influence legislation
 - know who your elected officials are, and which ones support the industry
 - actively support the ones who do
 - contact your officials, and encourage your employees and customers to do the same
 - learn about activists/ form watchdog groups and a state group that deals with advocacy issues
 - make these issues a priority in your business- address the issues at every meeting you have

Poor relationships between distributors and manufacturer

- 1) Building trust requires open, upfront and clear communication between both parties
- 2) Sit down and make realistic goals together
 - goals should be clear and concise
 - get to know each other, define expectations, and be specific about your goals
 - speak up on problems and issues - don't wait for other party to take the initiative
 - if a goal is unreasonable, have a full discussion
 - make sure that all goals are understood, and desired outcome is agreed upon by all sides
- 3) Follow through on commitments, and get program information out in a timely manner
- 4) Regional issues
 - understand regional issues and develop a realistic plan
 - pay more attention to regional needs agronomically
 - modify regional programs
 - tailor programs to suit the market in terms of regional/seasonal product differences
 - regional issues of timeliness, weather, etc. need to be considered
 - empower local sales representatives to meet regional needs
- 5) Have meetings to discuss agenda, address any changes
 - make it a point to monitor and review

Lack of product innovation

- 1) Develop working relationship with manufacturers
 - understand each other's business plans, market expectations
- 2) Tune in to customers' needs
 - talk to customers; get ideas of their pains and needs
 - develop joint action plans
 - focus on service
 - make employees aware of the success of good service
 - sell solutions, not products
- 3) Tweak product formulations
 - new formulations/ unique combinations of ingredients to improve product
 - position product differently - use marketing
 - find new ways to present the product to the customer
- 4) Make products a priority
 - develop a strategy
 - "Thinking Hats" brainstorming for ideas
 - discuss ideas with suppliers, express needs to manufacturers

Poor salesmanship skills

- 1) Provide training- stress importance of training
 - investment to company
- 2) Manufacturers and distributors could both have sales systems for all to follow
- 3) Provide leadership to sales reps.
 - top sales rep. can provide mentoring, guidance to junior sales reps.
- 4) Know the products, communicate at all levels

End user complacency

- 1) Training and education
 - more training on regulatory issues
 - provide training for sales reps.
 - educational seminars
 - hire the right people and keep them motivated
 - make customers aware of industry issues and what it takes to run a company
 - comply with their needs
- 2) Try new products/ technology-based services
- 3) Identify buying motives
 - provide a service that is valuable/ customer is willing to pay for

Shifting from product focus to service focus

- 1) Listen to your customers
 - be willing to go out of your way for them/ spend time with them
 - focus on what you provide beyond product
 - always be aware of customer pain
- 2) Offer training to end users
- 3) Bring knowledge to customers- seminars, university research, speakers
- 4) Define products in terms of their part in the solution - what they actually provide

Economic slowdown and flat markets

- 1) Explore new markets/ innovate
- 2) Expand services/ broaden your product base
- 3) Focus on operating efficiency
 - look at existing sales to determine which are profitable, and which are not
 - eliminate redundant products
- 4) Build close ties with customers- focus energy on ideal ones
- 5) Plan and protect
 - defend existing business, focus on needs
 - plan what you would do for your business and customers

Independent Turf and Ornamental Distributors Association

The Independent Turf and Ornamental Distributors Association (ITODA) was formed in 1990 to foster the trade, commerce, and interests of independently owned businesses engaged in servicing and marketing products for the turf and ornamental landscaping industries. Our hope is to bring together distributors and manufacturers in a true business partnership, recognizing all philosophies of manufacturers and suppliers to find the common ground that enhances our mutual prosperity.