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Field of teams

Ruppert's winning spirit re-emerges —
whispering from the rustling corn stalks,
'If you rebuild it, they will come back'

Field *of* teams



WINNING SPIRIT RETURNS

From left are Ruppert Nurseries' Ken Hochkeppel, CFO, Phil Key, vice president of the firm's Landscape Management Division, Craig Ruppert, CEO, Bob Jones, vice president of the Landscape Construction Division, and Chris Davitt, president.

Ruppert's Seeds of Success

1971 At age 18, Craig Ruppert (current CEO) creates Ruppert Lawn Service. He focuses on residential lawn and garden maintenance and operates the start-up from his family's back yard using an \$800 pick-up truck.

1973 Brother Chris Ruppert (now a board member and part owner) becomes the firm's first full-time employee. Annual revenue is \$20,000. Chris Davitt (current president), age 12, is hired to deliver fliers and help mow lawns.

1976 The firm incorporates, becomes Ruppert Landscape Co., and refocuses on commercial maintenance as installations play an increasingly important role.

1980 With Ruppert Landscape's annual revenue

topping \$440,000, Craig Ruppert makes the move to full time.

1981 Chris Davitt comes on full time to lead the firm's landscape management division. The company employs about 25 people.

1987 The company

employs 100 professionals, has 37 trucks and 15 trailers, and records annual revenue exceeding \$5 million (60% installation; 40% maintenance).

1989 Ruppert Landscape reorganizes to a four-branch system with decentralized management. This marks

Ruppert's winning spirit re-emerges — whispering from the rustling corn stalks, 'If you rebuild it, they will come back'

STORY AND PHOTOS BY MARTY WHITFORD / EDITOR-IN-CHIEF

Somewhere along my 30-mile drive from Washington to Ruppert Nurseries' Laytonsville, MD, headquarters, I'm transported to a different place and time.

Our national monuments have sauntered into the horizon in my rear-view mirror. I'm surrounded by an endless veil of corn stalks. They stand straight and tall, very much together, whispering in the wind, welcoming me.

I must be in Iowa, I think as I coast up the long, winding road toward Ruppert Nurseries' corporate offices. Then, Terence Mann, played by James Earl Jones in the 1989 classic flick *Field of Dreams*, bellows to my heart:

"They'll come to Iowa for reasons they can't even fathom. They'll turn up your driveway, not knowing for sure why they're doing it. They'll arrive at your door as innocent as children, longing for the past," Mann says. "They'll find they have reserved seats. The memories will be so thick they'll have to brush them away from their faces."

Called home

Ten years ago — 27 years after founding the firm — Craig Ruppert sold Ruppert Landscape's services, customer list and equipment to ServiceMaster (TruGreen). He had begun planting the company's seeds of success at the age of 18, and it was harvest time.

"When they sold Ruppert Landscape, the owners shared with employees almost \$4 million from the proceeds of the sale," says Bob Jones, vice president of Ruppert Nurseries' Landscape Construction Division. "They didn't have to do that, and they never told the media. That says a lot about Ruppert's corporate culture — which really is why so many came back to Ruppert once its non-compete ended and the owners decided to rebuild it.

"Our customers and employees called out to us, asking us to please come back, and we did," Jones adds. "Nine branch managers came back and so did hundreds of our key customers and employees."

continued on page 24

the start of the company's present-day structure, creating rare autonomy and true ownership for key managers.

1990 Ruppert Landscape purchases the equipment, field inventory and nurseries of J.H. Burton and Sons, and Ruppert Nurseries is born.

1995 Ruppert Landscape acquires Green Thumb's maintenance division. Coupled with steady organic growth and related branch openings, Ruppert Landscape now has 12 branches throughout Delaware, Georgia, Maryland and Virginia.

1996 Ruppert Landscape becomes the local Associated Builders and Contractors (ABC) chapter's first Accredited Quality Contractor. The Georgia branch completes more than \$6.5 million of landscape work in preparation for the 1996 Olympics.

1997 Ruppert Landscape is honored as a national finalist in the Arthur Andersen Enterprise Awards for Best Business Practices program for its efforts in motivating, training and retaining employees.

1998 Twenty-two years after incorporating, Ruppert

Landscape's services, customer list and equipment are sold to ServiceMaster (TruGreen). The sale does not include properties. At the time of the sale, Ruppert Landscape has 14 branches, more than 800 employees and \$45 million in annual revenue (40% installation; 60% maintenance). Ruppert

continued from page 23

From 1998 through 2002, Ruppert Nurseries raised and sold trees, and pursued limited related landscape work as permitted by its non-compete with ServiceMaster/TruGreen.

The company's sales rose from \$4.1 million to \$7.8 million in 2003, the year the non-compete ended, says Chris Davitt, Ruppert Nurseries' president, who started with the firm part-time at the age of 12 some 35 years ago.

Ruppert Nurseries doubled its sales in 2004 and then again in 2005. It grew 33% to \$41 million in 2006 and 27% to \$52 million in 2007.

Five years after the decision to rebuild, Ruppert Nurseries is on track to record revenue of approximately \$65 million this year, Davitt says. The company's annual sales will be \$20 million more than when ServiceMaster/TruGreen purchased Ruppert Landscapes.

Player-Manager-Owners

"Our people are why we're so successful, and why so many employees and customers came back to us and stayed

continued on page 26



Then & Now

Here's a look at Ruppert Landscape in 1998, when its services, customer list and equipment were sold to ServiceMaster, versus the resurrected Ruppert Nurseries just 10 years later:

	RUPPERT LANDSCAPE 1998	RUPPERT NURSERIES 2008
No. Employees	800+	560
Annual Revenue	\$45 million	\$65 million*
Annual Sales Per Employee Average	\$56,250	\$116,071*
No. Branches	14	10
Average Branch Size	\$3.2 million/year	\$6.5 million*/year
Average Job Size	\$100,000	\$300,000
Revenue Mix	40% installation; 60% maintenance	60% Installation; 40% maintenance

* PROJECTED

— MW

Nurseries is retained and continues to operate under Ruppert management.

1999 Ruppert Nurseries performs limited landscape contracting work as permitted in the non-compete with TruGreen to complement Ruppert Nurseries' 160 acres of tree-growing operations.

2003 Ruppert Nurseries'

non-compete expires. The company re-enters the commercial landscape market from its Laytonsville, MD, headquarters, and opens a Pennsylvania landscape management branch.

2004 The company opens four branches total in Georgia and Virginia.

2005 Chris Davitt is named

Ruppert Nurseries' president; Craig Ruppert becomes CEO.

2006 Chris Ruppert retires from the company after 33 years. Ruppert Nurseries is recognized on the *Inc.* 500 list with a 659.9% three-year growth since re-entering the industry unrestrained in 2003.

2007 Ruppert Nurseries

opens a landscape management branch in Prince George's County, MD.

2008 The company opens a landscape management branch in Frederick, MD. It projects 2008 revenue of \$65 million (60% installation; 40% maintenance) with 560 employees.

2009 The company plans

to kick off the year by opening a fourth landscape management branch (in Charlotte, NC) and adding an eighth maintenance branch there, after moving into its newly constructed LEED-certified Laytonsville, MD, corporate campus. Please see "On deck: Green central" on page 30 for a story on Ruppert Nurseries' new "green" home.



Ken Thompson (middle), who manages Ruppert's landscape installations throughout Virginia, observes work being done at an upscale condominium complex.

continued from page 24

with us," Davitt says. "Our winning spirit is all about empowering and rewarding our managers and employees."

It wasn't always this way. Leadership by example and iron fist management is where Ruppert started. But outside consultants and years of listening to co-workers and customers led management down a decentralized path, says Jay Long, director of organizational and people development.

This time around, 17 partners — including division, branch and corporate managers — hold stakes in Ruppert Nurseries and collectively own 30% of the company. Additionally, Ruppert Nurseries has a structured bonus plan that shares about 17% of its annual profits with employees. The company also gives back to the community: 5% of its profits are earmarked for charitable organizations.

But sharing the harvest is just one part of it. At Ruppert Nurseries, being true stakeholders also means division, branch, mid-level and field managers hold rare autonomy (and related responsibility).

"We still watch the numbers closely and have our fair share

continued on page 28

Ruppert has a structured bonus plan that shares about 17% of its annual profits with employees.

“When they sold Ruppert Landscape, the owners shared with employees almost \$4 million from the proceeds of the sale.”

— BOB JONES, VICE PRESIDENT OF THE LANDSCAPE CONSTRUCTION DIVISION



continued from page 26

of corporate systems, but they're not built to control," says Craig Ruppert, the company's founder and current CEO.

"Our processes are designed to empower our people to better manage themselves, their teams and the markets in which they compete," Ruppert adds. "Our people control the processes; it's not the other way around."

Ruppert Nurseries' branches are teams in their own right. Each team hires its managers and players, sets its

performance bonuses, establishes its pricing parameters for purchases and project work, and sells its services.

"We drive autonomy and decision making down to the field level," Long says. "Our people are in control of their own destiny."

"We give guidance on margins and other aspects of the business, but lessons learned in the field and from the top flow freely both ways," adds CFO Ken Hochkeppel.

continued on page 30

On deck: Green central

Many Major League Baseball teams have built new, greener homes recently. Now it's Ruppert's turn at bat.

Ruppert Nurseries is building a Leadership in Energy and Environmental Design (LEED)-certified corporate headquarters campus just down the street from its longtime Laytonsville, MD, corporate offices.

What a perfect new home for a company whose teams have been all about green for decades.

Since its inception in 1971, the company has planted 1 million trees and shrubs. It manages 475 acres of wholesale tree nursery in Montgomery County, MD, where it grows 70,000 trees for customers on the East Coast.

When it opens next year, surrounded by 160 acres of Ruppert Nurseries' trees, the 16-acre corporate campus will comprise six structures, including a historic home, totaling 32,000 sq. ft.

"We believe a healthier, greener environment is a more productive environment," says Ruppert Nurseries' CEO Craig Ruppert (pictured on the left with co-workers installing pavers at the firm's new headquarters). "We could have saved money building elsewhere, but it's more important that our team leaders be close to the action — our Maryland landscape installation and maintenance branches are just across the yard — and to each other so we can more readily share knowledge."

— MW



continued from page 30

Winning ways

Ruppert Nurseries' corporate values underline how much attention and commitment its teams give to business basics such as: "People: Our most impor-

tant strength," and "The Customer: Our real reason for existence."

While repeating successes is a key to winning, new paths must constantly be cut. That's why Ruppert Nurseries added "Innovation" to its corporate

values a few years ago.

"This was when Chris [Davitt] put his rubber 'REJECTED' stamp away — or at least out of sight," half jokingly says Phil Key, vice president of Ruppert Nurseries' Landscape Management Division.

Ruppert Nurseries' corporate leaders all chuckle and nod in agreement, especially Davitt.

"Remember Chris, you're not growing unless you're outside your comfort zone," Hochkeppel chimes in.

"But I don't feel like growing," moans Davitt in a gloomy, Eeyore-like tone — dripping with the sarcasm of a man

continued on page 34

our people
control the
processes;
it's not the other way
around."

— CRAIG RUPPERT, CEO



continued from page 32

who clearly holds a master's in banter, having grown up No. 8 of 10 in a close-knit Irish-Catholic clan.

Davitt then proudly discusses one such innovation — Ruppert Nurseries'

"Bid to Win" program, which is based on off-the-shelf estimating software that's been customized for the firm. At its Atlanta branch alone, the company doubled the value of projects it's estimating on just by adopting the software and

adding one estimator.

"This exemplifies Ruppert Nurseries' commitment to both innovation and empowerment because it was a concept conceived by — and a decision made by — our rank-and-file," Hochkeppel says.

"We at corporate initially said 'Not now,' but then we conceded — and it was to everyone's benefit that we adopted Bid to Win," Hochkeppel adds. "Not only are we bidding on tens of millions of dollars more each year in new business, but the program also

**"We're here to serve
our customers
and our people —
the true seeds of
our success."**

— CHRIS DAVITT, PRESIDENT

helps pinpoint our pricing and bolster our closing rates."

Key and Jones say the company's customer retention hovers between 85% and 88%, and is steadily rising. And unlike many companies, Ruppert Nurseries counts any job lost for any reason as a mark against this enviable performance, Hochkeppel notes.

Employee turnover is one-half to one-third the industry average, Long adds.

"Being closely held, it's easier for us to make the right decisions at the right time — which, in turn, helps us keep good customers and employees," Davitt says.

"We won't make short-term profit decisions that might jeopardize our people's success and service levels," Davitt adds. "We're here to serve our customers and our people — the true seeds of our success." ■