

Oregon Landscape

1st Quarter, 2016



Oregon's Landscape Professionals



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President's Message

By David West, 2016 OLCA President



What does it mean to be a landscaper? I often think of myself as an Architect on Monday, an Engineer on Tuesday, a beaten and battered HR director on Wednesday, a weatherman on Thursday... trying desperately to schedule work, and on Friday I sometimes think of myself as a lover of nature, plants, and the natural resources so embedded in the field I have chosen as my career.

I'm proud and happy to say that I'm a landscaper. In fact, I feel sorry for the mass of people who trudge day in and day out into concrete shells of buildings... only to work hour after hour while sitting in a chair under some depressing drop ceiling, flooded by fluorescence lights, and out of tune with what mother nature has been providing to us for tens of thousands of years.

I wonder how proud you are to be involved in OLCA... to be involved in one of the toughest and most unforgiving businesses ever to be invented. It is said that only the restaurant business is more risky.

Some mornings I drive down HWY 217 at 7:13am and I see that about every third vehicle is a landscape rig with trailer in tow. I'm often puzzled by how many landscapers there are in the state of Oregon and how few I know by name. Currently there are 1356 licensed landscape individuals in the state of Oregon. And there are 1192 actual operating landscape businesses. It's funny to me to think that OLCA's total statewide membership only has 125 Landscape construction firms and 9 Maintenance firms.

Basically OLCA is only representing

10% of the actual landscape community.

I believe as President of OLCA for 2016, it is my duty to bring the entire state together in a more rewarding format... *"in other words, to create and invent a system that helps us share ideas, a system that lets members pass down hard lessons learned of the trade, and a chance to gather a few times a year and rejoice in the wonderful talent and abilities that I see in so many fellow landscapers."*

Throughout my 20-year career here in Oregon, I have often found myself shoulder to shoulder with some of the best landscapers in the U.S. It seems that every time I walk away from some great gathering, or some incredible garden show, I end up wondering why we are all so independent... each one of us fighting the same battles, and yet not willing to band together, but instead left to our own isolated devices and attempts to reinvent the wheel year after year.

The life of a contractor is rough and tough. How often have you found yourself at the mercy of the weather? I fought the 1996 floods in my early 20's, but somehow this high water event of 2015-2016 seemed much more punishing in my early 40's! Such a tough business environment breeds a very tough individual... with that toughness comes a strong independence and mind set that I can do it all on my own. That kind of attitude is a critical factor in staying

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alive in this business, but it limits the strength of the group as a unit to elevate our image to the general public. I believe OLCA has the footprint, the ability to help all of us operate more as a unit or team of landscapers... **in effect sharing ideas and working together to raise the overall green industry to a higher value.** I see electricians charging \$95 per hour... I see plumbers charging \$270.00 minimum for a single 30-minute service call. These groups are a lot like us... but they have banded together for the common interest of their specific trade.

The landscape industry needs an excellent source of labor that is predictable, a source of talent that is skilled and trained for the every changing tasks and duties we face day to day. **No business can truly grow or increase revenue without a pipeline of talented labor continuously being supplied.** Oregon is going to experience a labor shortage for the next few years. How we pay attention to this issue will ultimately decide who stays in business, and which owners have to work 75-hour work weeks just to keep the doors open.

Here soon, we might have a minimum wage that ranges from \$13.50 to \$15.00 per hour. Labor is our biggest risk and we need to manage this as a team. **97 OLCA members responded to the survey about labor costs. 26% were ok with a \$15 dollar minimum wage, while 28% supported a more modest increase. While around 47% were against any increase.**

Employees are going to be lured away to other firms. The wage increases are coming, and employees know that they are in the drivers seat for the next few years. How we react to this as a collective group sets the tone for our industry. As I write this, one of my long time employees is going to leave my company after 13 years. He was offered \$6.00 more per hour on top of an already great wage that we were paying him. I could only smile and tell him that I was proud of him for finding such a good paying offer and that he needed to do what he needed to do. But in reality I was thinking that we just started a 140K residential job that he was going to run... who's going to do that? I thought to myself... who stole him from me?

My only sane attempt to process such a hard blow was to remember the only thing constant in this business is the fact that nothing remains the same. We cannot predict what will happen in our future, we only have the ability to adjust our positions and to build up strength and reserves in anticipation of the crisis and problems that are sure to come.

I remember years ago losing a key employee under the very same conditions. Right during a very large stone job, my head mason asked for a 20% raise. I told him that I was not able to budget such a large increase on a job that was already bid out.

He walked off the job that day. Much to my surprise, I got a call from another landscape firm that day and the owner himself told me he was offering my employee a higher paying job. Then that owner went on to explain why he needed this person so desperately. He explained about having a big commercial job that would last for a year and he went into great detail how much it meant to be able to hire this person away from my firm and how he appreciated all that I had invested into my employee and how he recognized the effort I had put into building up such a high performing worker. You know what? I actually felt good after that call. I had been recognized. That is the bulk need in life... to simply be recognized for your efforts. **Two years later, that same employee walked back into my office** and we were able to pick right back up where we left off.

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I would encourage all of you to make the same phone call when recruiting new employees. We are a family of very similar businesses and we need to take care of one and another.

MY goals for the 2016 year are big and they may not fit into the footprint of a one year term... but I hope to start the process. It is my goal to help facilitate the introduction of a few new programs.

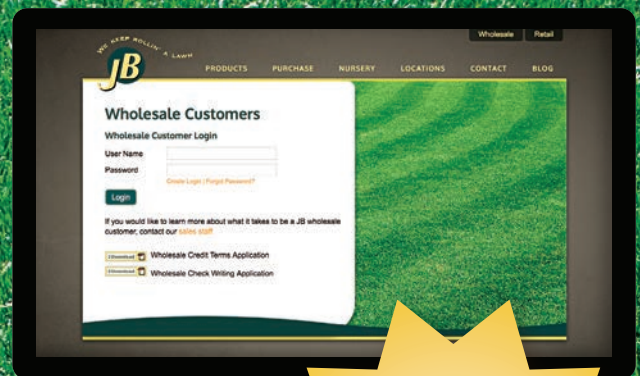
"I want to develop a lasting internship system and new recruitment process by which young workers entering the Green Industry can see a light at the end of the tunnel. OLCA now has an Academic Committee. If the majority of OLCA members push towards a common goal of getting the community colleges involved on the ground floor of what our actual needs are, we can reap the benefits of these two-year educational programs. But this business requires more than great book knowledge or complex theory based learning. We are the boots on the ground... and getting all of our employees through the CLT testing program should be a basic requirement.

The Portland chapter is gearing up for a re-boot of the annual awards program. I believe this is one of the best ways for our members to grasp and understand what each of us is actually doing... to see up close and personal our individual talents and ideas. This event is what bonds us together. It's been over 10 years since we last had an awards program. I hope that each one of you submits a job that you're proud of.

I think our Landscape community should have a way of recognizing those who gave so much to the green industry. I'm talking about an individual who's career is about to sunset... you know the person... **the bosses we had in our youth, the people who trained and taught us all they could, even if we didn't understand it all at first.** I think we should have a lifetime achievement award for the landscape industry. We can all think of one person right now in our head, who truly inspired us to stay the course, or who motivated us to become much better than we ever could have on our own. By getting together once a year and celebrating a legacy in the green industry, we can bring all of our members closer together and remember the good times of the past, and how far all of us have progressed.

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We need to expand on what OLCA is currently doing to help our careers. OLCA is able to help promote our businesses right on the OLCA website if we only sign in and build our profile. I hope to have at least half our members signed up by the end of this year.

OLCA needs to be at 30% membership... not 10% of all landscapers... If each one of us could just bring one or two firms into the OLCA family, then our organization would have the strength it needs to elevate our green industry to the next level of success.

We need to realize that we have one of the most rewarding jobs on the planet. We get to be free... a different jobsite, a different client, a chance to use a brand new product, or seeing trees you planted 20 years ago... now reaching 60 feet tall.

When clients ask me what truly makes or breaks a landscape job... I always refer to a phrase **"It's in the edges"**. When I get that puzzled look, I explain that when you see a job that just looks stunning... and you really can't put your finger on why... because you might not know the plant names, nor the exact type of flagstone... but what you do see is how the edges are turned down. How the berms flow nicely at the right pitch and the lawn terminates at just the right point into a nice flowing curve. It's all in the details and how you transfer one system into the next.

I believe OLCA is like that. A large block of fabric. A fabric full of creative and talented individuals, yet we are still folded up in some closet waiting for our day to be made into a truly superior product.

OLCA Upcoming Events

FEBRUARY 2016

- 3 Portland Chapter Meeting
- 23 Central Oregon Chapter Meeting

MARCH 2016

- 2 Portland Chapter Meeting
- 15 Central Oregon Chapter Meeting

APRIL 2016

- 5 Portland Chapter Meeting
- 12 Central Oregon Chapter Meeting

MAY 2016

- 4 Portland Chapter Meeting
- 17 Central Oregon Chapter Meeting

JUNE 2016

- 3 OLCA/ASLA Golf Tournament

JULY 2016

- 19 Central Oregon Chapter Meeting
- 22 OLCA Landscape Industry Certified Technician Exterior Program Test

SEPTEMBER 2016

- 13 Central Oregon Chapter Meeting

OCTOBER 2016

- 18 Central Oregon Chapter Meeting

NOVEMBER 2016

- 15 Central Oregon Chapter Meeting

DECEMBER 2016

- 6 Expo Kick-off Party
- 6 OLCA Pesticide Training
- 7 NW Landscape Expo
- 13 Central Oregon Chapter Meeting

For more information about these events got to www.oregonlandscape.org

I think it is time for us to try and build up the industry so that we can share ideas and promote a level of understanding within the general population. To in fact, understand our business of landscaping is not just a simple laborer doing a simple job that anybody can learn in a few weeks. This is a complicated business with serious risks involved. We as a team should be rewarded for the daily risks that we take.

I'm proud to be a landscaper.

My friends often ask me "how I do it"... How can I stand it outside in the 33 degree weather and nozzle an irrigation system to the point where my hands barely form a fist? Or how can I stand the rain for 5 months straight? I usually joke and say that if I had some mysterious way of getting a few thousand dollars into my bank account each month, that I'd prob-

ably keep on doing what I'm doing **because I love what I do.** I think we are all in this business because we love the chance to hit the restart button on life. To tear out a 1950's front yard and completely bring it back to life. Everyday, results are clear, and improvements stack up all around us. We get to reinvent the outdoor living environment for our clients and bask in the praise and reward of having created truly beautiful spaces that last for decades.

I ask for your time and support.

To help me bring OLCA into the light where it can shine. Do you have a new idea? Maybe a way we can improve our membership? I encourage you to reach out and let me know how I can improve what OLCA does for you.

Here's to a busy spring, and a summer that's sure to make us smile!!!

Why are you or not a member of OLCA?

By Jim Larson, jim@cascadiannurseries.com, OLCA Portland Regional Rep.

The mission of the Oregon Landscape Contractors Association is to serve the needs of its members and to promote the growth and well-being of the landscape industry.

Where would the landscape industry be in Oregon today without OLCA and its members? I am not talking only the Portland metro area, I am talking about the entire state. OLCA does a lot to promote the landscape industry to the public and in Salem. That being said, why is OLCA's membership only ten percent of the total landscape businesses in the State of Oregon?

Some people tell me that they don't have time. I know there are those

that have more time than others. And I know there are other priorities in people's lives. Family is huge on the priority scale as it should be. We cannot live and breathe OLCA. However, your contribution by being a member goes a long way. The financial health of OLCA is one reason (without member dues, OLCA could not have a lobbyist working for you), and membership helps to have the numbers in working with Salem. Remember, ten percent is only a fraction of our landscape industry.

Are you aware of all of the benefits of being an OLCA member?

- Education
- Quarterly Newsletter

- Online Membership Directory
- Nationally Recognized Certification Program For Landscape Industry Certified Technician-Exterior (Formerly CLT)
- Chapter Meetings
- Legal Resource Program
- Cost Saving Property & Casualty Insurance Program Including Health Insurance
- Legislative Representation Through A Paid Lobbyist
- Networking Opportunities
- Fuel And Office Depot Discount Program

I want to hear from you. Send me an email with your thoughts as to why you

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Portland Chapter Upcoming Meetings and Events

By Jim Larson, Portland Chapter Past-President

Have you been to an OLCA Portland chapter meeting lately? You are missing great information and relationship building. The February Town Hall meeting was the best one to date. There was great information presented and lively conversations on issues. The Portland chapter continues to do well with the dedication of the Portland chapter board and the members attending meetings. And isn't that what it is all about? Getting people together to learn, grow, and build relationships with your fellow landscape businesses and suppliers. Invite fellow OLCA members and also invite non-members (including suppliers) to attend the meetings. Everyone can learn from each other.

We have great speakers coming this spring and events this summer.

March 2nd meeting- Water Features & Pumps, Presented by Glenn Stanley with Cascadia Sales Group

Interest in water features has started

to come back but not like before the crash. We will talk about what has been selling in this market right along and what opportunities for profit there are for the future. We will go over applications and advantages, terminology and technology, sizing and some trouble shooting.

April 5th meeting- Please note: this is a different day and meeting location this month only.

A Garden for all Seasons, Presented by Lucy Hardiman with Perennial Partners

Create a garden this visually interesting year-round by taking a cue from Mother Nature. Winter, spring, summer and fall are the framework for our gardens as expounded upon by the poets. But in reality we experience 16 shifts and transitions in Northwest gardens over the course of the year. Let's think about making gardens where plants are showcased to celebrate the myriad transitions that are the hallmark of the cycle of

the seasons.

June 3rd- OLCA/ASLA Annual Golf Tournament at Langdon Farms Golf Club in Aurora, Oregon, Presented by the Portland Chapter

Landscape Awards 2016- The OLCA Portland chapter is bringing back the Landscape Awards program. Information will be emailed this spring and on the OLCA web site. Deadlines for submissions is July 1st at 4:30pm with judging happening in September.

December 6th- Annual Landscape Expo Kick-Off party at McMenamins Kennedy School in conjunction with the Landscape Awards presentations, sponsored by the Portland chapter.

For a complete list of OLCA events, go to OLCA's web site for other great events happening in 2016 including the certification testing and the 2016 NW Landscape Expo.

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joined OLCA or choose not to join. Here is some feedback so far:

I joined OLCA 25 plus years ago to give some credibility to my fledgling company and found it to be indispensable resource and advocate for our industry. -Michael McQuiggin

"Collier Arbor Care and Terrill Collier have been loyal supporters of OLCA for many years and when Bartlett Tree Experts entered the Portland tree and shrub care market in 2013 we felt that continuing that relationship and growing it to a higher level of involvement would be a solid business decision and

offer Bartlett Tree Experts the opportunity to meet the most professional and ethical landscape contractors in the Portland metro area." -Kyle Offerdahl, Bartlett Tree Experts

I joined OLCA because of the professionalism it brings to the industry. It seems that every person involved in OLCA is willing to share their time, knowledge, and expertise to help people. I knew this was an industry I wanted to be a part of after my very first chapter meeting and I haven't looked back since. Every year I feel like I get even more out of OLCA. -Scott Picker,

Aspen Creek Landscaping

I'm starting to re-think my decision about not joining OLCA. I don't really find value in everything OLCA does. Especially the certification stuff. But I do really like how OLCA is taking the lead on protecting Landscape Contractors at the legislature, how they are pro-active on issues and how they have a lobbyist. So I'll probably be joining soon. -Jim Lewis, Lewis Landscape Services

One of my goals for 2016 is to find value in being an OLCA member that non-members will have a good reason to join a leader in the landscape industry.

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What Is My Business Worth?

By Rod L. Bailey, CCLP, Alder Springs Enterprises, LLC

Many times during your business life you will encounter needs for placing a value on your, or someone else's business. There can be a number of reasons to do this, some of which may be:

1. An annual valuation required for your Buy-Sell Agreement with your business partners;
2. Estate Planning;
3. Filling out your Personal Balance Sheet;
4. Merger/Acquisition discussions and negotiations;
5. Sale or granting of ownership shares to key employees or outside minority investors;
6. A planned buyout of minority investors;
7. You want to sell your business to an outside, third party;
8. You're just curious about what your business may be worth.

When I was still actively involved with my former business I encountered nearly all of these at one time or another and now, as a consultant deal with such questions frequently. Typically the question will arise from clients who are doing estate planning or who, in looking toward an eventual exit strategy will ask me how business valuations are established and what factors will enhance future value for them. Frequently the question arises when the client would like to purchase another company as a viable method of expanding their own business. To do this I am frequently asked to help them place a value on

the target business.

There are many ways to establish business valuation, some are simplistic but most become quite complex requiring a thorough understanding of the subject and methods which might be used.

To paraphrase the IRS in Ruling #94, valuation is simply defined as "What a willing buyer and a willing seller, neither of whom are under duress to buy or sell, agree that the price should be".

In other words if a buyer and seller can come to a point of mutual satisfaction with a price, then a business valuation has been established. I have found in situations where there is pressure or a legal requirement for a buyout that it is the point of mutual dissatisfaction where the final price is established. In other situations where one party has an upper hand and can force a sale, that person usually is able to set the price.

Buy-Sell Agreements between principal internal owners typically require that a valuation will be established at the beginning of each year when the forced buy or sell is a moot point and the parties should be able to reach a non-pressured agreement about fair valuation. This should not be taken lightly, however, as a valuation that is too high may cause a partner wanting out to force a condition requiring buyout, while a value too low can cause majority, remaining partners to seek a condition requiring a sell-out.

One point here that I would underscore is that all privately held multi-owner businesses should definitely have a Buy-Sell Agreement between the owners; it should carefully spell out the conditions under which a buy or sell may or must occur and, it should identify the method and frequency for valuation or designate a mutually acceptable third party appraiser if an internal agreement has not or cannot be reached.

There are as many methods for establishing value as there are reasons for doing it. I recently reviewed a valuation report prepared by a highly respected business appraisal company which utilized nearly a dozen approaches for establishing a value and then averaged the widely varied results to arrive at a final recommendation. My own approach is to apply three to four of the most commonly accepted formulas in the hopes that they will indicate a central value range. I only go beyond this if there is a wide variance in the results.

This being said, let's focus on what some of the most common approaches to establishing valuation are:

1. **Liquidation Value**
2. **Comparable Company Sales**
3. **Multiple of Earnings**
4. **Discounted Future Cash Flow**
5. **Required Return on Investment**

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Liquidation Value

This approach assumes the business would simply be shut down and its assets sold or “liquidated”. All equipment, inventories and other physical assets are valued at market value and totaled up including cash and marketable securities. This total value, less all liabilities which must be paid off equals the liquidation value of the business. I frequently will add value for in-place contracts particularly on-going maintenance contracts since there are many companies that would willingly buy these contracts separately usually at a substantial discount from their gross margin contribution potential and only for contracts which are truly transferable.

Comparable Company Sales

This approach, familiar to most of us in real estate appraisals, has become more realistic due to the larger number of acquisitions which have occurred in our industry in recent years. The challenge here is to find enough detail regarding the true nature of the business and the true motivations of the buyers involved to make sure there is true comparability. Use only experienced appraisers in this process where they may, in fact, be familiar with such industry transactions.

Be cautious about numbers you hear such as “Sales times X %” since this is about all that is disclosed by most people who have sold their businesses. In fact, the relationship between annual sales volume and the price received by the seller is typically based on other factors and valuation methods and the price/sales ratio is simply an end result, not a determining factor.

Multiple Of Earnings

This is probably the most commonly used method that I am familiar with in the landscape industry. To use it, however, requires a good deal of financial knowledge as well as historically meaningful and relevant financial statements. Variations in the method are highly dependant on the reasons for which the valuation is being established.

Typically three years past earnings plus current year projections are modified to produce an “EBIT” (Earnings Before Interest and Taxes). For third party pricing evaluations the owner is allowed to also add back most owner “perks”, i.e. those expenses in past earnings that go away when you do. For internal valuations where these “perks” are not going away, they should not be added back. EBIT averages are then multiplied by a factor which represents the true condition of the business and its prospects to determine a fair price. The range of multiples goes on a scale from 1.0 to 10.0 with numbers in the 3.0 to 6.0 range being most typical. Multiples above 5.0 relate to well established businesses with good organization, good systems, good training and a solid history of contract retention, renewals or repeat customer business. Higher multiples come into play where there is buyer strategic interest involved.

Discounted Future Cash Flow

This method focuses on a projection of future cash flows usually in the 5 to 10 year range which might be reasonably predicted with consideration to what the record of the past two to three years would support. A discount

factor is then applied to future cash flows to determine the present net worth of the future cash flow stream. The discount percentage should reflect the alternative uses of money available and an assessment of the risk involved in owning and running a small business. Typically a projection of future earnings with depreciation and amortization added back is used (EBITDA) Depreciation reflects an allowance for recovering the cost of the current assets employed in the business. From the projected cash flow you need to deduct the cash outlays needed per year for future assets to be purchased. If current equipment is worn out and largely depreciated then the future annualized cash investment will be significantly higher than current depreciation thus reducing the projected cash flow.

Required Return On Investment

Simply put this method must answer the question of how much money can I afford to invest for a business that returns \$50,000 profit per year if my required rate of return is 20.0%? The answer, determined by dividing the profit yield by the rate of return, ($\$50,000 / .20$) equals \$250,000 representing the most I would be willing to pay for the business. Again, the rate of required return selected must represent evaluation of other available alternatives and the relatively high risk of direct business ownership in this industry. Typically, valuations using this method fall in the range of 25% to 35% depending on assessment of the business’ ability to continue generating its historic or projected profitability. I have seen business

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sales significantly outside of this range depending on what the relative strategic motivations of buyers and sellers were.

Impact Of Depreciation Methods

One factor to be considered in valuations based on earnings multiples is to carefully review the methods of Depreciation methods which have been used in preparation of company Profit & Loss Statements. Companies that have been utilizing highly accelerated methods of depreciation available in recent years under IRS Sec. 179 and Bonus Depreciation Schedules

may have drastically undervalued assets on their Balance Sheets and also dramatically understated profitability. Check with your accountant to make sure you understand the basis for depreciation of assets that have been used in the preparation of your internal management information statements.

The above methodology discussions are very superficial treatment of but a few of the many methods which might be used to establish a business valuation. They should be used as guidelines only. They should underscore that establishing the value of

your business is not a simple process. Valuations can vary dramatically depending on the purpose of the valuation, the methods and variations used and, most importantly, the appraiser's assessment of risk and probability.

To do a good job of valuation good business and accounting records, good asset records, good business systems and a good organization of people capable of sustaining or exceeding historical results are a must. In most cases the help or assistance of outside professionals experienced in valuation and appraisal is recommended.

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Legislative Report from the Capitol

By Bill Cross & Niki Terzieff, OLCA's Government Affairs Advocates

As you read this, the Oregon State Legislature is charging full-speed through the February 2016 session. This promises to be a hurried and harried session, as the Democrats hold sizeable majorities in both chambers and have presented a very ambitious, progressive agenda. Sessions in even-numbered years have been dubbed "short sessions" as they are limited by the Oregon Constitution to no longer than 35 days. However, nothing limits what the Legislature may address during those "short sessions" so it has become "Katy, bar the door!" The Majority's agenda is surely going to raise the partisan stakes as we head into the election season this fall.

Controversial policy issues including cap-and-trade carbon emissions and restricting gun sales will once again be a heavy lift, but won't stop them from being debated - and heated. Other issues such as minimum wage are being driven by the threat of the initiative process, as there are several minimum wage initiatives filed with the Elections Division. Republicans have charged that the Democrats are abusing their power by proposing partisan, big-ticket policy proposals during the short session when public participation in the process is difficult due to the tight deadlines. Democrats have countered that these are serious and urgent issues that simply cannot wait to be addressed until the next regular session in 2017.

Of specific concern to OLCA are a couple of issues:

- **Minimum Wage proposals to increase it the hourly wage anywhere from \$12.50 to \$15.50 per hour.** OLCA opposes

the current proposals for increasing the minimum wage in Oregon. The consensus of the OLCA's Board of Directors is that an issue that has the potential fiscal ramifications on all aspects of the public and private sectors should be carefully thought through with adequate time to discuss the matter. The 2016 Session of the Oregon Legislature does not allow enough time.

Many of OLCA's members are small businesses and the impact of a substantial minimum wage increase could cause tremendous harm, even when the increase is phased over 4 to 5 years. Although many of our members pay entry level employees below the proposed \$14.00-15.00 minimum, most have skill based wage structures that rise to significantly above those rates. It is our belief that education and skill development is

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Welcome New Members

ASSOCIATE MEMBERS

Brown & Brown Northwest Insurance
Carlseng Designs
Pacific Tractor & Implement
Sauvie Island Ornamentals, LLC
Schaeffer Mfg.

REGULAR MEMBERS

Emerald Lawn & Restoration
Nelson Landscaping
Paradise Restored Landscaping
Prestige Landscape & Tree Service, LLC
Sanlino Landscape LLC DBA Growco Landscaping
Valley View Landworks, LLC
Vaughn Environmental, Inc

STUDENT MEMBERS

Merry Anderson
Lydia Cox
Endre Elteto
Joni Elteto
Meara Gordanier
Sabrina Harris
Carla Lilyquist
Kirstin Lurtz
Vanessa Morgan
Matt Wenner

ACADEMIC MEMBERS

Gordon Kunkle
Stefan Seiter



Central Oregon Chapter Updates

Angie Snell, 2016 OLCA Central Oregon Chapter President

Greetings OLCA members. I am Angie Snell and am pleased to introduce myself as the new Chapter President for Central Oregon. I'd like to extend a sincere thanks to our immediate Past President, Scott Miller, for his leadership. A special thank you to Gary English, Jean White and Molly McDowell (all previous presidents) who have also provided insights and direction into the inner workings of our local chapter. Along with Sterling West, our new President Elect, and Michael Ludeman, current Regional Director, we are pleased to serve the Central Oregon chapter for 2016.

Our members are dedicated to quality landscape installations and believe in building lasting rapport with clients, vendors and peers. OLCA provides a venue to expand upon these values. Embracing new techniques, knowing the niches of your professional peers, and sharing industry challenges are just a few ways we can build our trade.

We are excited for a new year full of business and educational opportunities. The Central Oregon Chapter will be holding monthly meetings with some variation in meeting times and format. Please visit the OLCA Events Calendar at www.oregonlandscape.org for specifics. We will continue to offer Continuing Education Hour (CEH) opportunities several times throughout the year. Many of our members enjoy the camaraderie of other green industry professionals and to accommodate informal conversations, a symposium format will be integrated into some of our chapter meetings.

Hope to see you soon at our next meeting on February 23rd.

CONTINUED FROM PAGE 12

the best way for employees of all industries to achieve and receive the desired "family wages" the increased minimum wage legislation is designed to do. OLCA strongly recommends the matter be taken up in 2017 legislative session where there is more time to come to a good solution for all sizes and types of businesses and government agencies in Oregon.

- **Modifications to the LCB License Practical Skills Examination HB 4117.** Following the passage of HB 3304 in the 2015 legislative session, the Practical Skills Implementation Committee (PSIC) was formed to help establish a Practical Skills Examination option for Landscape Contractor License applicants. It identified some revisions including: changing the numbers of times the practical skills exam is required to be provided from three (3) times per year for two (2) consecutive days to one (1) time per year for one (1) day; allowing the combination of written sections and practical skills sections for licensure; permitting candidates to attend the business course at any time through the examination process; and, restricting the practical skills examination to be applicable only for a partial phase license. OLCA supports these changes and helped secure unanimous passage in the House. It is now awaiting Senate action.

Please feel free to contact us at any time if you have any questions by emailing Bill Cross at bill@wvcross.com or Niki Terzieff at niki@leadingedgepublicaffairs.com.

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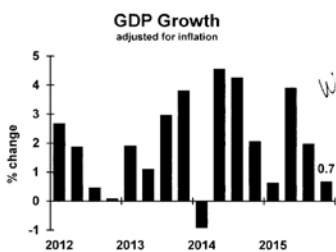
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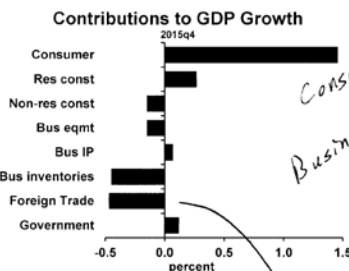
Conerly on the Economy

February 2016

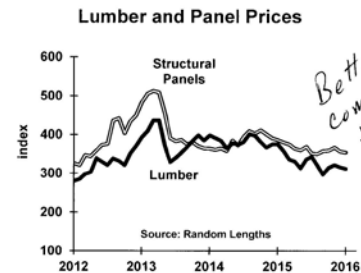
Dr. Bill Conerly connects the dots between the economy and business decisions. He has the unique combination of a Ph.D. in economics from Duke University and over 30 years' experience helping companies adapt to changing economic conditions.



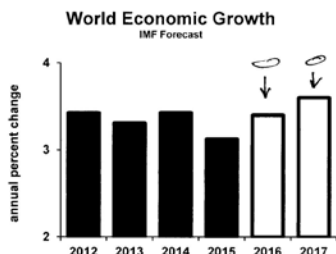
Weak, but at least positive



Consumers OK
Business soft



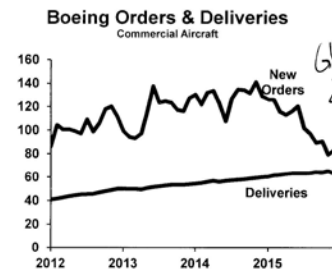
Better than most commodities, thanks to housing strength



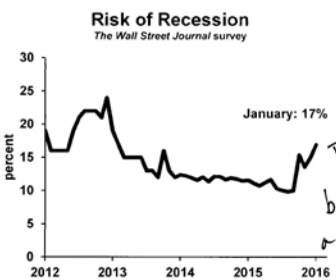
Year-ago forecast around 4%



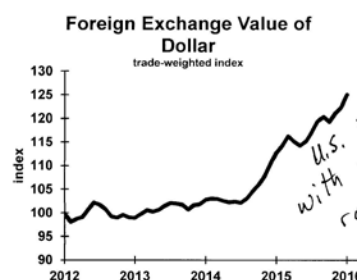
Lower growth overseas, plus strong dollar



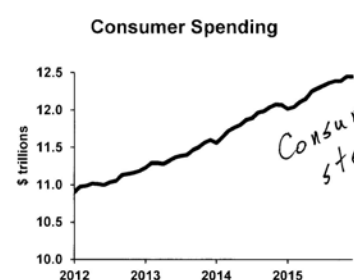
Global deceleration impacting orders



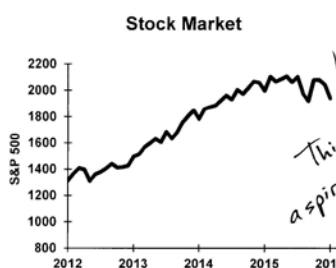
Rising risk. Does your business have a contingency plan for recession?



U.S. is safe haven with rising interest rates



Consumers pretty steady.



Last year was flat. This year we aspire to flat.



Solid growth



Steady gains