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HOW BOB WHEELER AND BEN HELTON ***STOPPED COMPETING, STARTED COLLABORATING*** AND BROKE THE ***$10-MILLION MARK.***

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BETTER TOGETHER

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HOW BOB WHEELER AND BEN HELTON *STOPPED COMPETING,*

, **STARTED COLLABORATING** AND BROKE THE **$10-MILLION MARK.**

USUALLY, WHEN BOB WHEELER WANTED TO TALK WITH BEN HELTON, IT WASN'T A GOOD CONVERSATION.

As owners of competing landscape companies in Boise, Idaho, they typically only spoke when one was trying to take employees or properties from the other. Offering similar services to the same commercial market in Boise, Cutting Edge Lawn Company, owned by Wheeler, left, and Total Maintenance Solutions, owned by Helton, right, went head to head.

"We knew if we went to a bid invite, it was going to be us and Cutting Edge who were bidding," Helton says. "It almost got to be annoying. We'd compete for each other's employees and accounts. We'd see each other at the gas station like the rival team from high school."

Helton, in fact, was fresh out of high school when he started competing with Cutting Edge. He began mowing lawns as a teen to earn extra cash and then incorporated as a two-man truck and trailer operation after graduation.

He landed a high-end subdivision, where he met Tim Resler, who provided him the seed money to help launch Total Maintenance Solutions in 2007.

Wheeler and Helton observed crews on job sites, taking notes so the two could more formally standardize operations during the off-season.

"I owed it to Ben to at least meet him and talk," Wheeler says. "I was really impressed with what he'd done at 28. He'd built up the company in a pretty short period of time."

As the market recovered from the recession, the competition between TMS and Cutting Edge tamed and the bad blood faded. "After you compete with someone for so long, you start to respect them," Helton says. "Then you realize your visions are aligned, and then you start seeing synergies."

After eight months of negotiations between Wheeler and Helton, they decided to collaborate instead of competing, merging to form Cutting Edge Landscape in June 2015.

BEST OF BOTH WORLDS. Wheeler and Helton were different types of leaders, which actually made the merger easier.

Wheeler, 51, came from an operational background focused on measuring data and streamlining processes. With more than 20 years in the landscape business, he built an internal software system that helped route projects and predict costs with granular data.

Helton didn't have the experience or the processes Wheeler did, but at 28, he brought youthful energy and focused on sales growth. He realized that Wheeler ran a smoother operation, and Wheeler recognized that Helton had a growth strategy that surpassed the local market.

"No college education, not a ton of experience – we just fumbled our way through," Helton says. "We modeled our business after Cutting Edge. They invested in their equipment. They were organized and professional, and they had the exact clientele we wanted. I hired quite a few people who were the 'old guard' of Cutting Edge and we learned a lot about their practices and emulated their processes that way."

There was a lot to learn from Cutting Edge. Wheeler had been building the business since 1995, when he took a buyout from UPS after eight years as a supervisor. Initially, he was just going to mow lawns with some former colleagues until he figured out what else to do.

But his operational training from UPS helped him develop a solid company that served the landscaping needs of Boise's commercial market. Focusing on operational efficiencies, Cutting Edge grew into a full-service landscaper with 70 employees and $5 million in revenue.

Yet, Wheeler couldn't ignore TMS, which grew to the same size just a few years after opening. Once or twice a year, Resler called Wheeler to meet for coffee, planting the seeds for future collaboration. When Helton bought out Resler's shares to take full ownership of TMS in September 2014, Wheeler decided it was time to sit down for a real conversation.

> **"You don't realize how much uniforms affect morale, especially when you combine two companies that were once bitter enemies."**
>
> Ben Helton, co-owner, Cutting Edge Landscape

"He needed some help with growth and I needed some help with operations," Helton says. "It was the yin and yang effect. We thought if we could take the best of both worlds and respect each other's strengths, we'd be a force to reckon with."

Conceding that each did certain things better, they defaulted to Wheeler's operational systems. Wheeler focused on integrating routes, crews and equipment, while Helton took the lead on pricing, sales and marketing.

"As an owner, you're used to doing everything your way, but when you merge you've got to realize there's other people more competent and knowledgeable than you are," Helton says.

TWO TEAMS BECOME ONE. Employees at both companies were shocked when Wheeler and Helton announced the merger internally. When Wheeler told his team they'd be joining forces with its top competition, some of them checked the calendar to make sure it wasn't April Fool's Day.

"They thought we were probably joking with them," Wheeler says. "The first response was: 'No way.' When they found out it was true, (they had) reservations."

When it came to how the cultures would mesh, Helton and Wheeler had to approach it with an open mind.

"You've got two cultures, and neither one is right or wrong," Wheeler says. "But they are different – a lot of it could be even generational. My key people have been with me for a long time, 12 to 15 years, so we're used to doing things a certain way. Then you've got their people who do things a little bit different. That's the hardest thing."

Helton and Wheeler made a point to meet with the leadership groups from both sides – including foremen, supervisors and lead technicians – to get buy in from their key people.

"As long as those guys were on board and they could see the vision and know how important it was to meld the two forces. They could talk to the other guys," Wheeler says. "It was just open discussion where they could ask whatever they wanted. If they were uncomfortable with something, I thought it was important for them to be able to express their concerns."

The two companies operated in their own uniforms for a while after the merger, but the arrival of new uniforms brought the two sides together.

Administrative staffs and maintenance crews moved into Wheeler's facility, while construction and irrigation crews from both companies moved into the former TMS building down the street. Those crews will rejoin the rest of the company after a building project adds facilities to Wheeler's 3-acre lot.

THE COMPANIES MERGED WITH 149 EMPLOYEES ON PAYROLL AND $11 MILLION IN COMBINED REVENUE. THEIR GOAL IS TO BUMP THAT UP TO $12-13 MILLION IN THE FIRST YEAR, THEN ULTIMATELY TO $50 MILLION BY GROWING BEYOND THE LOCAL MARKET TO SERVE THE INTERMOUNTAIN WEST REGION.

After the move, crews went right back to work. They maintained their respective accounts for several weeks before integrating, because they wanted employees to be familiar with the customer's site and customers to be familiar with their old company.

Thanks to this slow transition,

BEYOND LOCAL EXPANSION

Ben Helton serviced some large commercial clients with properties outside of Idaho in places like Salt Lake City. Without advertising beyond Boise, Helton found work in seven states through existing clients."It's a stepping stone approach," he says. "We expanded into some new markets through the subcontractor model, then hired local account managers, and then as the business continues to grow, we'll add facilities and boots on the ground." The merger allows Helton to focus less on local operations (that's his partner, Bob Wheeler's, turf) and more on expansion outside the market, even eyeing an acquisition in Salt Lake City.

He sees huge potential for growth throughout the Intermountain West. "Look where all the big landscaping companies reside," he says. "They're all West Coast, Midwest and East Coast, and then you get down into Texas. There's a big geographic circle that's just mom-and-pop shops that service 1,000 square miles. No one has really connected the dots across the Intermountain West in Eastern Oregon, Washington from Spokane down to Boise, down to Salt Lake, up into Montana. As the West grows, that market is growing, and we have a good foothold to capture it."

Though Wheeler and Helton are still committed to the local Boise market – where they foresee at least 10 to 12 percent annual growth – they predict that the biggest growth for their newly merged company will come from these new markets.

the crews kept focusing on the work while Wheeler and Helton observed, taking notes so they could more formally standardize operations during the off-season. With that approach, the way crews performed work in the field didn't change much.

"The jobs, whether it's mowing, pruning or fertilization, stay pretty similar," Wheeler says, "The field guys are doing a lot of the same work. The teams have embraced each other pretty well because they're excited to see how the other side does it."

The merger provided plenty of work to keep both counterparts busy, which gave the managing partners time to evaluate their combined team.

"Everybody was so busy doing what they did that we didn't have to lay anybody off," Helton says. "In smaller companies, people have to wear more hats.

Work volume doubled, so people could wear fewer hats and focus on their strengths. We've seen an increase in productivity and quality because everyone has a specialized focus." While no one was laid-off, there were some employees who left on their own.

"We haven't had much incident in the field, other than initially, we had some fallout early on from people who just didn't want to be on board, didn't want to go through change and left," Wheeler says. "That was a good thing because those are the kind of people you don't want to go through the merge. They weren't open-minded. When that settled down, we knew this was going to work."

LOOKING FORWARD. As crucial as communication was to keep the team aligned, the biggest unifier came from one simple change: uniforms. Before the new gear arrived, there was time when Cutting Edge Lawn Company uniforms and TMS uniforms visually divided the team.

"You don't realize how much uniforms affect morale, especially when you combine two companies that were once bitter enemies," Helton says. "It was blue team versus green team, but once we rolled out matching uniforms, it made an instantaneous difference. Now we're one team. If I had to do it over again, I'd do that day one."

Cutting Edge Landscape is also rolling out newly branded vehicles and marketing efforts, including a new website. The merger is still a work in progress but the managing partners already see growth potential they didn't have as competitors. By combining Wheeler's operational savvy with Helton's sales-oriented drive, the company is poised to grow larger.

The merger provided plenty of work to keep both counterparts busy, which gave the managing partners time to evaluate their combined team. Because everyone was busy, no one had to be laid off.

> **The teams have embraced each other pretty well because they're excited to see how the other side does it."**
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> **Bob Wheeler, co-owner, Cutting Edge Landscape**

The companies merged with 149 employees on payroll and $11 million in combined revenue. Their goal is to bump that up to $12-$13 million in the first year, then ultimately to $50 million by growing beyond the local market to serve the Intermountain West region.

As the company grows, leadership will have to be mindful that changes that seem small to them may be a bigger deal to some employees.

"It's easy, as partners or owners, to see how (a decision) affects us and what it's going to do to the numbers of the business. But sometimes you forget what a small change might make to someone's perception in admin or operations," Wheeler says. "When you change something, their minds start wandering and they're wondering, 'Why? Am I being phased out?' They're always going to look at the merger as a reason to worry, so communication – letting people know why you're doing things, that their jobs are secure – that's the key to get everybody on board. Morale of the troops is really what keeps us going."

As everyone continues to work out the kinks of the merger, the managing partners anticipate that Cutting Edge will be positioned for success within a year from now.

"The initial chapter of the story is the hardest," Helton says. "We certainly have more work ahead of us, but the vision of our goal is definitely within reach." L&L