

Center for Urban Agriculture

The Business License: An Effective Extension Tool and a Challenging Research Tool

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## Introduction

The drought of 2007 severely affected Georgia's urban agricultural industries (Bauske, Florkowski, and Landry, 2008; Flanders, Bauske, and McKissick, 2008). Most outdoor water use was prohibited in the densely populated northern portion of the state which includes the Atlanta metropolitan area. The drought lasted through 2008. It was followed by the recession of 2009 and subsequent housing slump. During the recession, many businesses closed, others consolidated, and membership in statewide industry associations declined (Woodworth, personal correspondence).

In 2010 the economic contribution of turfgrass production, ornamental horticulture, landscape services and related industry was estimated at \$4.0 billion in output, and indirectly at another \$3.8 billion for a total of \$7.8 billion (Kane and Wolf, 2012). The business environment has steadily improved since then, yet industry associations have not noted an increase in membership. Since all new businesses are required to have a business license, we hypothesized that new businesses could be identified by making open record requests (ORRs) to counties and municipalities issuing new business licenses and renewing licenses. Our ultimate goal was to make this data available to Extension and professional organizations, so that resources could be extended to new businesses.

## **Materials** and Methods

ORRs were made for business licenses issued for the years 2013 and 2014 in these Standard Industry Classification (SIC) numbers and/or North American **Industry Classification Codes (NAICS):** 

- Landscape contractor (SIC 078101, NAICS 561730)
- Yard maintenance (SIC 078201, NAICS 561736)
- Tree trimming service (SIC 078301, NAICS 561734)
- Lawn fertilizing service (SIC 078203, NAICS 561732)
- Irrigation system contractor (SIC 162901, NAICS 234993)

To create a complete record of each company (including a phone number, web site address, and email address) Internet searches were conducted to augment the results of the ORRs. Queries were made on Google, Google Plus, AngiesList.com, Mantra.com, and Yellowpages.com. If the company had a website and no emails listed, a "Whols" search for domain name listing information was conducted.

## **Abstract**

Turfgrass production, ornamental horticulture, and landscape services directly contribute \$4.0 billion in output, and indirectly contribute \$3.8 billion to Georgia's economy. Urban agriculture industries, as a group, were severely challenged by the statewide drought of 2007 and then by the national economic downturn in 2009. Many businesses closed while others consolidated. Although the economy has improved in recent years, industry associations have not noted an increase in membership. This project explored the use of business license information in order to: to 1) provide insight into the state of the industry, and 2) identify new businesses so that Extension and professional association resources could be extended to them. Four counties were selected in the Metro Atlanta urban and suburban area (Cobb, DeKalb, Gwinnett, and Henry), and open record requests were filed for unincorporated counties and 24 municipalities within the counties. Business license information was requested for landscape, yard maintenance, tree trimming, lawn fertilizing, and irrigation system services and contractors. Although data collected on business license applications was similar among the government entities, data supplied in response to the open record requests was not. Responses ranged from no response to requests, to information with incomplete and/or ambiguous labeling, to almost complete information with clear labeling. Follow-up online searches supplied additional information, but the combined dataset was not sufficiently robust to draw conclusions from. The results do suggest the need for online marketing training. Just 38% of the landscape companies identified had a web site and many had no web presence at all.

Table 1 Table 1 Results of ORRs for business licenses for 2013 and 2014

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County	Municipality	Number of Businesses	SIC or NAICS	Business Name	Contact Name	Mailing Address	Phone	Email	Web Site	Date Heading(s)	2013 Population Estimate
Cobb Cobb	Unincorporated	273		X	Х		Х			No Info	
	Acworth Austell*	24	X	X	X	X	X			Date Issued	21,476 6,810
	Kennesaw	7	X	X	X	X	X			Start date	32,001
	Marietta	58	X	X		X				No Info	59,089
	Powder Springs	19	X	X	X	X	X			Date Established	14,411
	Smyrna	13		X	X	X				No Info	53,438
DeKalb	Unincorporated	61	X	X		X				No Info	
	Avondale Estates	3		X						No Info	2,797
	Brookhaven	20	X	X		X				Origination Date	50,603
	Chamblee	15	X	X						Charge Year	15,948
	Clarkston	0									7,791
	Decatur	9	X	X	X	X	X	X		FY 2014-2015	20,086
	Doraville	1	X		X	X				Date Issued	10,60 <mark>3</mark>
	Dunwoody	4	X	X		X	X			Origination	47,5 <mark>91</mark>
	Stone Mountain	7		X						Year	5,9 <mark>76</mark>
Gwinnett	Unincorporated	439	X	X	Х	X	X	X	x Date	Established, Ren <mark>ewa</mark> l Dat	
	Buford	15		X		X	X			No Info	12,962
	Duluth	15		X	X					Active	28,404
	Lawrenceville	6	X	X	X	X	X			Date Open	29,868
	Lilburn Norcross*	12		X		X	X			No Info	12,425
	Snellville	15	X	X		X				No Info	19,245
Henry	Unincorporated Hampton*	202	X	X		X	X		Star	t Date, Active or Inactive	7,104
	Locust Grove	0									5,648
	Stockbridge	0									27,265
	McDonough	12		X		X	X			Origination	27,265
Total	Ivicoonougn	1230	14	21		<u>x</u> 17	12	2	1	Origination	22,034

## Conclusions

- The data received from municipalities and counties was heterogeneous, incomplete, and when considered in aggregation, did not support conclusions about business generation and consolidation.
- The process of gathering and compiling ORRs from counties and municipalities was laborious and time consuming. Many of the email addresses we gathered are of companies already familiar to the industry associations and Extension.
- Only 37.6% of the businesses identified had web sites. This suggests that the industry as whole may benefit from online marketing training.

Results

Twenty-eight open record requests were made to four counties and 24 municipalities within the counties (Table 1). Two cities (Hampton and Austell) did not respond to the requests.

Though we specifically asked for licenses issued in 2013 and 2014, no distinction was made between newly issued licenses and renewed licenses by many of the providers. When dates were provided they had a variety of labels (e.g., Start, Date Issued, Date Established, Date Open, and Charge Date) and no comparisons among data sets could be made. Phone calls and e-mail queries rarely yielded clarification on any of these labels. It was challenging, often impossible to locate knowledgeable people and determine the precise meaning of the labels in the license offices.

Business license applications tend to request similar information, however responses to the requests were quite variable. Unincorporated Cobb County provided a business name, contact name, and a phone number with no mailing address. Lilburn provided a company name, an incomplete street address (no city or zip code), and phone number. Some entities provided a complete list of all the licenses issued, regardless of the type of business. Several files received were in unreadable portable document format (pdf) and all data had to be laboriously retyped.

Unincorporated Gwinnett County provided the most detailed and complete data. New and renewed licenses were clearly distinguished and the data included NIAC numbers, estimated gross incomes, and number of employees. Yet the Gwinnett County data illustrates the challenges of drawing conclusions about new business generation. Businesses are not purged from this list until three years of non-payment. It is possible, indeed likely, that businesses which have been closed for years, are included in the dataset.

When combined, ORR and web searches identified a total of 1,230 business names (Fig. 1). Addresses were provided or identified for 1,060 of these businesses. A contact person was identified in 797 of these businesses and 889 phone numbers were provided or identified. Web searches located 463 business web sites and 225 company or company contact emails.

Many businesses (251) had email tools built into their web sites that would allow inquiries, but that could not be incorporated into a database. Domain name listing searches occasionally yielded an email address with the company name or contact person.

> auske, E., W. Florkowski and G. Landry. 2008. Layoffs increase and losses accelerate in response to the drought. Center for Urban Agriculture Report: CR-08-01. Available at: Bauske, E., W. J. Florkowski and G. Landry. 2008. Economic stress continues for Georgia's urban agriculture. Center for nders, A., E. Bauske, and J. McKissick. 2008. Economic impact of total watering restrictions to the green industry in the Bear Creek Reservoir region. Center for Agribusiness and Economic Development. CR-08-05. Available at: Kane, S. P. and K. L. Wolfe. 2012. Economic Contribution of Turfgrass Production, Ornamental Horticulture, Landscape rvices, and Related Industry in the Georgia Economy, 2010. UGA Center for Agribusiness and Economic

