



# WATER GARDEN NEWS<sup>®</sup>

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## Faux and Natural Rock Sales Chugging Upward

By Aleta Walther

*Suppliers say increased desire to minimize water usage is the engine behind growing sales.*

Like jobs and new home building, business continues to be sluggish for water garden installers and their faux rock and natural rock suppliers. Suppliers, however, say there is a light at the end of the tunnel and it is not a 200-ton, diesel locomotive.

“My phone is not ringing nearly as much as it used to, pre-2008,” said Michael Comi, owner and president of Pacific Rockscape Systems of San Juan Capistrano, California. “I never used to consider jobs under \$15,000. Right now, I am not seeing many jobs over that, but I am flexible, I am optimistic, I have diversified, I am still in business.”

Comi designs and installs artistic rockscapes, waterfalls and water features for commercial and residential properties using decorative concrete to simulate boulder and rock landscapes. He does supply natural boulders at a customer’s request, but customers generally hire Pacific Rockscape Systems because they have a “landlocked property” making it more practical to simulate boulders, waterfalls or cliffs using concrete sculpturing techniques.

Comi admits that business has been slow the last few years and says depressed home values in Southern California have a lot to do with the decline in business. “People just aren’t spending on water features like they use to,” he explained. “Particularly those home owners who have been hit hard by the housing downturn. If you lost \$200,000 equity on your house, why would you put in an elaborate or expensive water feature in your backyard?”

According to Zillow.com, an online aggregate of residential real estate information, the average residence in Comi’s hometown of San Juan Capistrano peaked at \$675,000 in 2008, but today is worth only about \$580,00. In neighboring San Clemente, the average home topped out at \$875,000 in 2008, but today is worth only \$577,000.

To offset the decline in home installs, Comi is doing more design and installation of boulder-simulated signage, historic restoration and garden art; including logs, benches and even fanciful, small-scale galleons. "People are looking for lower ticket items that create a quaint, beautiful garden setting."

"I am seeing a lot more, and getting more requests for, the dry riverbed look," said Comi. "A lot of people are minimizing their water features or removing them completely in some cases. The water features I produce are recirculating systems so there is minimal loss. In a small garden, with fishponds or birdbaths, this may not be a big issue. Regardless, I am seeing a lot more cactus gardens with just rock. Since I build waterfalls, that's not real good news for me."

Jonathan Bechtol, marketing manager for Southwest Boulder & Stone in Fallbrook, California, agrees that more homeowners are installing dry riverbeds and replacing vegetation with hardscape. "Turf is being reduced at an unprecedented pace with contained waterscapes and drought tolerant-landscape." said Bechtol. "Homeowners utilize dry river/creek beds and decomposed granite in their yards to develop an environment that matches the naturally occurring, drought-tolerant landscape."

Southwest Boulder & Stone offers more than 500 products, including boulders, flagstone, ledgestone, pebbles, crushed rock, veneer, fountains, and decomposed granite. Southwest Boulder & Stone's original target customers were consumers, but the company recently began distributing wholesale to other retailers, landscapers and water garden installers. Bechtol said sales this year are "growing steadily compared to 2008."

Although Bechtol agrees with Comi on the increasing interest for hardscape over vegetation, he believes more affluent homeowners are willing to spend money on higher-end landscaping amenities.

"Homeowners are staying in their homes longer and investing in beautiful, high quality hardscape products," Bechtol said. "We are seeing an uptick in interest for high-end architectural design products including thin veneers, decorative glass and polished stone."

Stuart Dunn, president of Universal Rocks, LLC, Garland, Texas, agrees with Bechtol that homeowners, specifically "baby boomers", are enhancing their outdoor living spaces. He believes many boomers have the desire, time and financial where-with-all to install water features.

Universal Rocks manufactures and distributes faux rock products, from stand-alone accent pieces to complete kits for installing waterfalls, cascades, creeks and ponds.

"Due to our extensive range of products, we are getting a great mixture of sales," Dunn said. "Some customers come in looking to cover their ugly utility boxes or pump with an attractive rock. Others want a bubbling accent rock or ...self-contained units for patios. Still others want... ponds with attractive waterfalls that create a statement, create a retreat in the home."

Dunn said Universal Rocks' sales are "close to 100 percent up over last year's sales." He equates the stronger sales cycle to the company's new product displays that he personally installs at retail garden centers. "Our displays show customers how realistic a professionally installed, faux rock water feature can be," he added. "Nobody needs a pond, waterfall or rock accents, but if displayed properly and beautifully, everybody wants one."

Matt Mueller, general manager of Siloam Stone, Inc., said he is not seeing a trend toward dry riverbeds, but he is seeing more xeriscaping; environmental designs and methods for minimizing the need for water for vegetation. Mueller said, however, that many xeriscaping designs have water features and that “pondless, ornamental water features like bubbling fountains, are hot items.”

Located in Canon City, Colorado, Siloam Stone, Inc. is a family-owned supplier of quartzitic sandstone. Moss rock, field stone, canyon stone and specimen stone are all part of Siloam Stone’s product line. Siloam Stone provides a wide range of stone products for water feature installations.

“We are seeing a huge demand for water features in this part of the country,” Mueller said. “That may be because we have better resources for water. A lot of homeowners and landscapers are thinking ‘green’ these days, but they are not backing away from installing water elements. Correctly designed and installed, water features may be susceptible to some evaporation, but are not really considered wasteful landscape elements. “

Mueller backed up his claim stating that most of the recipients of this year’s design awards, presented by the Association of Landscape Contractors of Colorado, included a water feature.

Although Siloam Stone’s sales are improving, “sales are a far cry from what they were pre-recession,” Muller said. He equates his sales slump to the lack of new housing starts throughout the region. “A lot of our pre-recession business came from high-end, high-country housing developments which included retaining walls, ornamental boulders and landscaping for individual houses. That all came to a screeching halt in 2008, but we are starting to see a little bit of new home construction in, and around, Denver and Colorado Springs. We are positive about the next couple of years “

New development construction aside, Mueller expects a bump in sales as residents begin replacing homes lost in the 29-square-mile Waldo Canyon Fire that destroyed nearly 350 homes near Colorado Springs this past summer.

Like Mueller, John Hewitt, Custom Landscape Materials, LLC /West Valley Rock, is optimistic that the economy is improving in his market. Located in Buckeye, Arizona, just outside of Phoenix, Custom Landscape Materials sells an array of decorative landscape boulders, gravel and pavers.

Hewitt said hardscapes are popular with Arizona homeowners and real estate investors because of their water saving and ease of maintenance benefits. He is seeing more and more property owners opting to cover back yards in 1” or ½” Screened rock that matches the color pallet of the community and the house.

“There has been an uptick in new home starts, coupled with a renewed pride in residential property,” said Hewitt. “Developers are also returning to the market place with strategic building plans and there seems to be a ripple of optimism in the industry which is contributing to more sales. We believe that we have weathered the worst part of the current market downturn and are looking forward to steady growth going forward.”



# High fuel costs cut into profits for natural rock suppliers No so for faux rock manufacturers

## How are higher fuel costs impacting your business?

### **Stuart Dunne, Universal Rocks LLC**

“Since our (artificial rock) product is very light, freight cost is not really a large percentage of the cost. Also, people can put these in their vehicles to take home (unlike real rock) cutting out the store delivery costs.”

### **Demi Fortuna, Atlantic Water Gardens**

“No one is immune from the realities of rising shipping costs, and heavy, bulky natural stone has gone up considerably in price as a result, with 10-20 percent not uncommon over the past 3 or 4 years. Unlike natural stone, relatively thin and lightweight artificial rock can be made to nest and stack tightly, for easy, compact shipping, and “UPS-able,” to better control costs.”

### **Jonathan Bechtol, Southwest Boulder & Stone**

“Customers have become very attuned to the fact saving fuel is a necessary part of life. Lately we have noticed an increase in traffic to Southwest Boulder & Stone’s website and social media visits thus reducing the possibility of having to go multiple times to our yard in researching a product.”

### **John Hewit, Custom Landscape Materials, LLC/West Valley Rock**

“The majority of rock quarries in Maricopa County use diesel generators to produce power for their crushing equipment as well as diesel for their mobile equipment. Transportation is always a large part of the delivered price of decorative rock and boulders. The rapid rise of fuel earlier this year forced the industry to adopt several strategies to recoup the loss of high fuel prices. Of late, the price of fuel has stabilized at a lower price point and hopefully this will continue.”

### **Matt Mueller, Siloam Stone, Inc.**

“Fuel cost/shipping expenses always have an effect. The longer the distance for shipping, the more potential that our product may not be used in favor of a product with less delivery expense. The sustainable LEED (Leadership in Energy and Environmental Design ) credit program has an impact on distance as well. Stone harvested and manufactured within a 500 mile radius of the project can provide LEED credits. For our operation and contractor customer, the rising cost of fuel has primarily been absorbed and reduces profit margins. The recession has caused fierce competition among contractors, profits have been reduced to obtain the job and any compensation for increased fuel cost or any cost for that matter have not been an option.”



**Aleta Walther is a freelance writer based in Southern California.**