Environmental marketing can mean big bucks for golf industry suppliers

**Manufacturers can use green marketing to distinguish their products from other competitors**

By Peter Blais

With the vast majority of Americans calling themselves "environmentalists," green marketing is becoming the hottest topic in the advertising industry. In recent years, the trend has been a combination of "green" advertising and good advertising. This has resulted in a significant increase in sales and profits for companies that have adopted green marketing practices.

By Mark Leslie

Field burning opponents, government agencies, and turfgrass seed growers have hammered out an agreement that may end decades of argument over burning practices in Washington and Idaho. The agreement will allow for controlled burning of certain fields, with careful monitoring to ensure that the practice is environmentally sound.

By Jacklin

Field burning opponents and government agencies have been battling over the use of burning practices in Washington and Idaho for decades. The agreement reached this year includes provisions for controlled burning, with careful monitoring to ensure that the practice is environmentally sound. The agreement is the result of years of negotiation and compromise, and it reflects a growing awareness of the need for environmentally sustainable practices in agriculture.

By Mark Leslie

Gratz Rejoins Aeration

CHASKA, Minn. — Aeration Industries International, Inc. has appointed Michael S. Gratz vice president for North American sales. Gratz rejoins Aeration Industries after serving two years as national sales manager for Carbonair Services, a firm specializing in the deaeration of water, soil, and air. Gratz initially joined AII in 1983, creating and implementing the company's customer service program. In 1984, he was promoted to Northeast regional sales manager and was named national sales manager in 1985. In his three years as national sales manager, sales increased more than 200 percent by expanding the range of services offered from simple aeration systems to complete turnkey wastewater treatment projects.

Gratz earned a bachelor of arts degree from the University of Wisconsin, Madison.

GOLF COURSE NEWS
Successful marketers use environment to their advantage

There is nothing wrong with this until the natural tendency for advertising to exaggerate comes into play. Then it becomes unseemly.

"Marketers that make small, well-meaning gestures toward the environment and mention them quietly enough so as not to add to the noise pollution in this area are probably safe."

How important is the environmental movement? According to the Ad Age survey, 23 percent of the respondents classified themselves as "strong environmentalists" and 55 percent as "environmentalists." That's more than 185 million people projected nationally.

"If they are serious, that's a revolution. We think they are serious," Chase said.

Ciba-Geigy is the largest manufacturer of plant protection products in the world, Towne said. Green marketing, or product stewardship as Ciba-Geigy calls it, is important because it costs so much to get a product to market that a company can't afford to have it taken away because of misuse.

Obtaining Environmental Protection Agency approval and getting a new product to market takes seven to 10 years and more than $20 million from the time the active ingredient is first discovered, Towne said. And because of patent limitations, a company usually has only about a half-dozen years to recoup its investment.

"If the product has to be withdrawn from the market because of adverse effects, corporate profits suffer. We are environmentally aware. Marketing products responsibly is just good business sense," he said.

The new chemistry is expensive and people must be taught to use it properly, Towne said. Application rates are changing from pounds per acre to grams per acre.

"The new chemistry is more sophisticated than the old atrazine where you put two pounds out and kill all the weeds. There are a lot more silver bullets out there that have limited effects on the environment and kill just one, two or three diseases," Towne said.

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So what is product stewardship and how does Ciba-Geigy use it? It is more than four-color ads, Towne said. It is an integrated approach that includes product development, marketing, sales and support. The goal is to make Ciba-Geigy products more environmentally safe, while realizing that no chemical manufacturer will ever make it to the top of the environmental movement's "Most loved" list.

Promoting responsible use of its products is one way Ciba-Geigy minimizes their effect on the environment. That can mean not selling as much product this year as the company could have.

But a willingness to postpone sales and promote safe use can keep a product from being prematurely pulled off the market. That can result in more sales down the road.

Basic research can be more environmentally sound if screened compounds must conform to current and expected environmental parameters including low application rates, safe manufacturing processes and environmental fate.

Production is also important. Ciba-Geigy spent $50 million over and above EPA requirements to upgrade its manufacturing facilities during the 1980s.

Distributors can help with product stewardship. A competitor, Rhone-Poulenc, has an excellent distributor training program, Towne said.

Superintendents invariably mention safety to applicators, golfers and turf as their top consideration when buying a fungicide, Ciba-Geigy's market research consistently shows. In response, the company introduced Pace, the first pesticide in a water-soluble bag placed inside a cardboard box, Towne said.

"The response has not been as great as expected, although it has been fairly strong," Towne said. "People say they will pay more for a product, but they don't. Or at least they won't pay a lot more, and this is about 40 percent more than anything else on the market."

"We learned a couple of things."

There is a segment out there that will pay a lot of money for a product with environmental benefits. But don't bet the ranch on it. Although people don't talk about the cost issue a lot, cost is important."

To be environmentally sound, product support must include more than just providing an 800-number to answer questions, Towne said.

Ciba-Geigy has mandatory twice-yearly technical training sessions for representatives and distributors to make certain they are instructing...
Mobay's parent company realigns divisions and personnel

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Miles as a diversified company with businesses in chemicals, health care and imaging technologies," Wehmeier said.

Dr. Hermann Wunderlich, vice chairman of the board of management of Bayer AG, will continue as chairman of the new Miles board. Dr. Klaus H. Risse, current president and Chief Executive Officer of Miles, will become vice chairman of the new Miles board.

Reporting to Wehmeier will be nine executive vice presidents. They and Wehmeier will form the new Miles executive committee.

Among the future Miles Inc. operating divisions, their locations and the respective executive vice presidents of the corporation are:

- Crop Protection and Animal Health Division, Kansas City, Missouri. Heinz K. Wehner, currently executive vice president for Mobay's Agricultural Chemicals and Animal Health Divisions, will become executive vice president of Miles Inc. This new division will include the Crop Protection and Animal Health businesses of Mobay, both located at Kansas City, as well as the current Miles Consumer Household Products business in Chicago.
- Diagnostics Division, Tarrytown, N.Y., will be headed by Dr. Roger G. Stoll, currently executive vice president, Miles Diagnostics. Stoll will continue to have worldwide responsibility for the company's Diagnostics Business Group.
- Industrial Chemicals Division, Pittsburgh. Dr. Richard L. White, currently executive vice president for Mobay's Industrial Products Divisions, will become executive vice president of Miles Inc. This division will consist of the current Mobay Inorganic Chemicals, Pigments and Ceramics, and Coatings businesses. White also will assume the additional responsibility for the company's H. C. Starck and NRC businesses.

Under the Hahn deal, Hahn will manufacture its multi-use work vehicles for commercial turf maintenance exclusively for Toro under the Toro brand name.

Hahn shareholders were expected to vote on the agreement sometime in October or November. The deal calls for Toro to acquire a minority interest in Hahn through the purchase of $1.15 million in outstanding preferred stock in a merger transaction and gives Toro an option to buy Hahn's business assets after two years.

Toro

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used by municipalities. Toro made its initial investment in Olathe in 1985.

Products will be marketed under the Toro brand name and the manufacturing operation will remain in Kansas.

"This acquisition is in line with Toro's strategy to expand our commercial products business and further strengthen our leadership in the growing professional markets," said Toro President David H. Morris.

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Environment

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superintendents how to apply products safely. Superintendent meetings are held in conjunction with distributors to promote safe application practices.

The company gives away diagnostic kits allowing a superintendent to determine what disease is plaguing his course and whether he needs to treat it. Company sales representatives feared that could result in lower product sales. It was a risk. But it was a necessary risk to be a good product steward, Towne said.

Does this sort of pro-environment activity make a difference?

Ciba-Geigy's target market apparently thought so. Respondents to the recent Ciba-Geigy survey rated the company much higher in terms of commitment to the golf course industry than they did four years ago when the Turf and Ornamental Division was first launched.

That's nice. But what happened to sales?

Revenue from the fungicide Banner, a parity product when introduced in 1987, increased fivefold by 1991. "We've already exceeded our plateau expectations for this product and are expecting sales to increase next year," Towne said.

It can happen anytime. A sudden hydraulic oil leak. And before you know it, your green is a disaster.

Not with Toro's new Greensmaster® 3100. It features our exclusive Turf Guardian™ hydraulic oil leak detector that protects your green's appearance and playability.

Here's how it works. As the oil warms, it expands. Causing its level to rise and lift a float. Then if a leak occurs, the level descends and the float reaches contact points. Instantly, an alarm sounds and alerts you to move the mower off the green.

Of course, this does not replace routine maintenance. But it does give you greater peace of mind.

And, because Toro is committed to providing operators maximum comfort and ease of operation, the Greensmaster 3100 is exceptionally operator friendly. And proves it with power steering, conveniently

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