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 to hit advertising in years, according to a pair of marketing experts. "Brand after brand is being forced to look at the implications of manufacturing, packaging and marketing on the environment. These trends usually start on the consumer side, but eventually impact the business-to-business side. The golf industry is no exception," said Dennis Chase, executive editor of the advertising trade journal Ad Age. Chase and Owen Towne, product manager/fungicides/ turf and ornaments for Clay Crogs' Agricultural Division, made their comments during a recent Golf Course News-sponsored marketing seminar in Oak Brook, Ill.

A recent Ad Age survey asked consumers to rate marketers and brands on how concerned they appeared to be about the environment. Procter & Gamble Co. (named by 6 percent) and McDonald's (4 percent) were rated the top two environmentally conscious firms.

But most respondents (66 percent) — including many self-proclaimed "strong environmentalists," who said environmental consciousness weighed heavily in their buying decisions — could not name a single environmentally conscious company.

Such contradictions plague green marketers. Advertisers constantly struggle with consumers' belief that all brands of a certain product are basically the same.

For example, while the soft-drink manufacturing industry has hired high-profile environmental consciousness (probably because of recyclable bottles and cans), individual companies like Coca-Cola, Pepsi-Cola and Seven-Up all received basically the same approval ratings.

But the consumer's view of overall parity also gives the smart green marketer the chance to breakaway from the pack, especially with the green consumer, Chase said.

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— Ad Age's Dennis Chase

Continued on page 31

Field burning accord reached in Northwest

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 two states are major suppliers of proprietary grass seed used on golf courses. Growers annually p parch their fields of pests and disease by burning them. But with population growing in the region, the practice has brought increasing opposition.

Glen Creager, the Idaho Falls grower services manager for Jacklin Seed Co. of Post Falls, Idaho, said this first year under the negotiated burning limits "went very well — maybe too well."

He explained that this fall's weather conditions were optimal for burning. And because the burns went so well, opponents may demand even more concessions when the two sides renegotiate the so-called Idaho-Idaho Regional Snode Management Plan.

Jacklin said: "Our general feeling is guarded optimism. But we still are cautious because we've done battle with these folks so long that we don't want to let our guard down."

Jacklin said growers were gathering in early November with the other groups, including the Bonner, Kootenai and Spokane county clean air coalitions, to "try to find some areas where we can give a little more. And I'm sure they are going to want us to give a quite a bit more. And if we don't give what they want, it's entirely possible things could get heated. But I think that we've got some type of environmental advantages of their products, barely half (51 percent) believe the advertising information is accurate.

"Clearly, the public has more confidence in individuals with credibility... than with the federal government or business," Chase said. "From Fuji film to Phillips Petroleum, everyone is wrapping themselves in green."

Continued on page 30

Mobay's parent company reorganizes, changes name

Under the reorganization, Miles Inc. will be composed of eight operating divisions and two service organizations. The current principal Bayer USA subsidiaries — Mobay Corp., Miles Inc. and Agfa Corp. — will be merged into the new divisions. The smaller operating companies — Haarmann & Reimer Corp., Rhein Chemie Corp., Deerfield Urethane, Inc., and H.C. Starck, Inc. and NRC Inc. — will remain separately incorporated, but will be integrated operationally into the new divisions.

"Our plan is to broaden recognition of..."
Mobay's parent company realigns divisions and personnel

Continued from page 29

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, currently 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.
- Organic Products Division, Pittsburgh. Dr. Jochen C. Wulff, currently president and CEO of Mobay Corp., will become executive vice president of this new division, which will include Mobay's dyes and pigments, and organic chemicals businesses, as well as Haarmann & Reimer Corp.

- Polymers Division, Pittsburgh. H. Lee Noble, currently executive vice president for Mobay's polyurethane business, will become executive vice president with responsibility for plastics, polyurethanes, fibers and deerfield urethane.

Torö

Continued from page 1

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 businesses and further strengthen our leadership in the growing professional markets," said Toro President David H. Morris.

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.

Environment

Continued from page 31

superintendents how to apply products safely. Superintendents and golf course managers 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 appears to want what Toro offers. 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. But it does give you greater peace of mind. And it proves it with power steering, conveniently.

Not Kn...