SUPPLIER BUSINESS

Suppliers see boom in Southeast Asia

Japan remains biggest market but land scarcity and ecological requirements will slow growth

By Bob Spinak

March 1992

LACY JOINS PARKER FERTILIZER
SYLACAUGA, Ala. — Parker Fertilizer Co., Inc. has named Tim Lacy Director of Sales of its Professional Turf Division. According to Division President David Pursley, Lacy’s “knowledge and experience in golf as well as the lawn care industry, will enable us to identify and better serve those customers.”

Lacy will leave his position at Mississippi State University, where he has served as campus horticulturist and golf course superintendent since 1985. He has instructed many future golf course superintendents through MSU’s golf course operations class. Prior to working at MSU, Lacy managed a Jackson, Miss.-based lawn care company for seven years.

Lacy holds memberships in the Golf Course Superintendents Association of America as well as many regional associations. He is past president of the Mississippi Turfgrass Association and is president of the Southern Turfgrass Association.

RANSOMES OPENS JAPANESE SUBSIDIARY

Ransomes has announced formation of Ransomes KK in Osaka, Japan. Ransomes has been trading successfully in Japan for a number of years, and over the last five years the volume of sales has increased significantly, officials report.

As a result, Ransomes has decided to form its own company, based in Osaka and staffed by Japanese nationals. Katsuyuki Ohashi has been appointed managing director.

Commenting on this new development, Group Executives Bob Dowdsworth said: "This is the latest step by the Ransomes Commercial Division to increase international business in the Pacific Basin where it has been very successful in recent years."

EDGINGS COMPANY FORMED
VILLA PARK, Ill. — Oly-Ola Sales, Inc. has formed Oly-Ola Recreational Edgings, Inc. to develop and market polyethylene/vinyl edging products for the athletic, parks and recreation industries.

The first products available from Oly-Ola Recreational Edgings include Safety-Edg curbing and Safety-Line marker.

Safety-Edg is a flexible, low-maintenance landscape curb.

Safety-Line marker is designed to replace chalk lines on outdoor athletic fields and golf course driving ranges.

Ocean Course to become environmental model
KIWAH ISLAND, S.C. — A prototype golf course that’s good for the environment is the aim of The Monsanto Agricultural Co., the United States Golf Association and the PGA of America. The three have established a $400,000 grant to make the Ocean Course at Kiawah Island a national example of how to manage a golf course with the environment’s best interest in mind.

The grant was donated to Clemson University’s Institute of Wildlife and Environmental Toxicology, which is conducting the three-year research program.

Robert B. Shapiro, president of Monsanto, said: “This year the domestic market seems stronger and the international market is still going well,” he said.

Confidence was not as high as the boom years of the late 1980s, but exhibitors at the recent Golf Course Superintendents Association of America Conference and Show in New Orleans were more optimistic than a year ago when the Persian Gulf War and recession were both grabbing headlines.

“We’ve seen a phenomenal change from a year ago at the Las Vegas show,” said Ray Bird Director of Sales Steve Christie. “There is a lot more activity.”

The introduction of three new products and an updated computer controller helped generate more interest, Christie said. So, too, have the lack of international hostilities and an economy seemingly poised for recovery.

“One of the most significant changes of the last year is the international market,” he said. “It appears many projects are starting to come off hold.”

Industry executives dealing with the Pacific Rim seem unanimous in the thought that Southeast Asia, now in bud, will bloom as the industry’s next hot spot. While Japan is the biggest market currently, a slowdown is foreseen there as land becomes more scarce and ecological requirements grow ever tighter. And, contrary to the automotive fallout after President Bush’s “Jobs-jobs-jobs” mission to Tokyo in January, there has been little problem with protectionism or closed markets in the land of the Rising Sun.

"The Ocean Course at Kiawah Island will become a national example of sound environmental management of lands and marsh areas. Both water and wildlife are abundant, making it an ideal place for environmental research."

Robert B. Shapiro, president of Monsanto, said: “This grant will help provide valuable information to address a variety of environmental concerns in the golf industry. We’re looking at the entire spectrum of controls on golf courses—from biological to chemical—and deciding how to make the best selection of these controls based on the golf course’s ecosystem.”

Exhibitors optimistic about show and future

INDIANAPOLIS — New Pageant DF insecticide from DowElanco has received federal EPA registration for mole cricket control in turfgrasses. Likewise, Durban 50WSF insecticide — already used to control a broad spectrum of pests on turf, ornamentals and trees — has received a label amendment, allowing its use to control mole crickets in turfgrasses.

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Ron Kendall, head of the project and the director of the Institute of Wildlife and Environmental Toxicology, was quoted recently as saying: "The findings from our research can be applied at all golf courses, to improve turf management and minimize the impact chemicals and golf course management procedures may have on wildlife."

The research project will have a long-term impact on future development and maintenance of courses throughout the United States. PGA Executive Director and Chief Executive Officer Jim Awtrey noted, "The partnership between the golf associations, corporate America and the scientific community is an excellent example of the teamwork needed to study and promote the development and maintenance of environmentally sensitive golf courses."

Monsanto donated half the grant. The USGA added $150,000 and the PGA — which sanctions the Ryder Cup, held last fall at The Ocean Course — contributed $50,000.

The course, designed by Pete Dye, is in view of the Atlantic and surrounded by wetlands and marsh areas. Both water and wildlife are abundant, making it an ideal place for environmental research.

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"Architects and contractors say they have a fair amount of work coming up. That wasn’t so last year. International work was strong then, but not in the domestic side. This year the domestic market seems stronger and the international market is still going well,” he said.

Dakota Peat President Michael Pierce was even more optimistic. Orders were four times higher than a year earlier for the company’s contractor-size 2200 soil blender.

Additionally, at least 30 superintendents said they would approach their greens committees with proposals to buy the smaller 220 unit, designed for fertilizer and top dressing applications as well as in-house renovation jobs.

It’s a combination of increased name recognition (the company entered the blender business just three years ago) and the economy picking up," Pierce said. “It appears many projects are starting to come off hold.”

Dave Derrick, sales and marketing manager for Patterson Fan Co., said he was getting twice as many responses as at the 1991 show. The United States Golf Association’s
Southeast Asia fast becoming major golf market

"(the) greatest potential (is) in Thailand and Malaysia." — Steve Garske, president of Par Aide

Southeast Asia fast becoming major golf market

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tor of Marketing John Kelly likewise sees Japan as the hottest market, but tempers this with a look into the future.

"I'm not too sure how much farther Japan can go," he said. Guam is the place Kelly sees as a burgeoning market. In the Pacific Rim for a quarter century, Standard has seen a steady increase in growth, and Kelly, looking at the numbers, says, "At this point, it's jumping up and down."

"The United States is still the major market, accounting for around 85 percent of total sales, and Europe as twice the market of Asia. But he feels the Asian opportunities are just beginning to present themselves.

Guam is the hub of activity for Greensmix Soil Blenders of Wisconsin, according to president Christine Faulks. "Guam is the key to our success in Asia," Faulks said. "We are a young company, and we're growing." Working with architects like Ron Freem, Arnold Palmer and Jack Nicklaus, the company blends mixes on site. "We have extremely high shipping costs," she said, referring to the shipment of silica sand from Australia and sphagnum peat moss from Canada to the sites for mixing. In concert with the company's plans to enter the Asian market, custom-built machinery is fitted into special containers for shipment.

Only one year in the Far East, Faulks sees potential throughout the area.

Mike Robinson, president of Seed Research of Oregon, said the company has been in Asia for five years, and its business there far exceeds what is done in Europe. A major reason is that there aren't the restrictive licensing fees and long waits encountered in the Atlantic countries.

Robinson cited China as a place of great potential, "when they enter the 21st century." Japan is still his largest market, and he noted his firm's new SR 10 and SR 20 bentsgrasses have been tested for three years with good results. All sales and distribution are done through an agent, he said, and "a lot of American companies don't want to do it their way. They want to do it at home."

He sees this as a possible cause of some frictions. Frank Dolan of E-Z-GO sees the Asian countries as "all about the money." He is outspoken in his frustration with tariffs in the Orient. "It's extremely disappointing," he said, "when they enter the 21st century."

Dolan is unhappy with a deal made in Georgia orchestrated by Governor Harris and Rep. Newt Gingrich. To lure the Japanese manufacturer Yamaha, a major competitor, E-Z-GO and Club Car don't get the same advantage," he said. Yamaha was given the break and uses all the state facilities, like highways and services.

"My hat's off to them," Dolan said. "We see them ship sophisticated parts in pop-open scientific packages. There is no welding, no molding, no designing taking place in the U.S."

This sentiment is not echoed by Clarke Staples of Cushman Inc., a Ransomes company. With a product line similar to those of E-Z-GO and Yamaha, he considers Japan "a super customer."

"The Japanese see golf as an American sport and look upon Americans as experts. Staples, international marketing and services director of Cushman, sees Southeast Asia as the coming market."

He cited reports that Japan will cease all course construction when it reaches 2,000 courses as an opportunity for other countries' golf-related tourism.

As with other executives, Staples pointed out that it can be cheaper and faster for a Japanese golfer to fly to another country.
for industry suppliers working in the Pacific Basin

than to play at home, where it is expensive and courses are full.

For Bill Rose of Tee-2-Green in Oregon, Japan is the largest Asian customer, with Penncross bentgrass the company's biggest selling product. The only restriction on his product is the requirement that the grass seed contain less than .03 percent soil.

Rose said there were "a lot of Chinese visitors to our field day. They were very nice. Some, I think, were government people." Rose is hopeful for a market in China. He said Thailand "seems to be using a lot of seed, but we haven't sold any there."

Korea and Taiwan are burgeoning markets, he said. The company has been in Asia a decade.

Curt Kimpfbeck of Jacobsen likewise sees China and Thailand as coming markets. "China has got to become modernized," he said. "The hierarchy are all in their 80s. The new group of rulers will modernize and do something for the people—like bringing in sports."

Jacobsen has distributors throughout the Pacific Rim and has opened a factory branch in Sydney, Australia, to accommodate the Asian growth.

Kimpfbeck said turf equipment is duty-free in Japan, and was recently at 5 percent. He cannot explain the reduction, especially as Tsuyuchia and Baroness are Japanese turf equipment manufacturers. He said Japan is slowing down as the banks tighten credit.

For O.M. Scott's Korbin Riley, "We're just sitting back and watching mainland China right now." Thailand is what he sees as the hottest market after Japan, and he feels Asia golf "will increase faster than the rest of the world."

Japan is getting tougher on the use of pesticides, he said citing Chiba Prefecture as denying their use in any way.

Scott has been in Japan 30 years, in Australia for four. Riley said, "Our business has increased in Asia and we expect it to continue to increase."

That Malaysia and Indonesia are hot markets is "old news" to Rain Bird's Skip Prusia, regional manager for Asia.

"Japan," Prusia said, "opens more courses per year than any other country, maybe more than the rest combined."

In the long term, Prusia thinks Vietnam will be a major market.

Rain Bird has its eye on the golf course business. A new product, Ductiline pipe, used for moving water and oil, has met with acceptance.

But Cross said the company's primary involvement in the specific golf market has been with gang reels for mowers, adding that Kubota is "starting to get into reel mowers."

Cross sees Bangkok as "a big, coming area."

March 1992

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