MARYSVILLE, Ohio — Scotts Company has reorganized its North American Professional Business Group, a move the company said will strengthen distribution and technical sales support, integrate brand management across market segments, and reduce annual operating expenses by approximately $2.1 million.

According to Scotts, the savings will be equally split between reduced head count and lower shipping costs. In mid-December, Scotts' ProTurf division head count was winnowed from approximately 100 to 40 employees, a reduction of 60 percent. In turn, Scotts will now sell into the golf market via four independent distributors: Turf Partners, Inc., a subsidiary of Eco Soil, in the Midwest and Northeast; BWI Companies, Inc. in the Southwest and Southeast; Wilbur Ellis Company in the Pacific Northwest, and Western Farm Services, Inc. in California.

"We've maintained some of those people for the Tech Rep. group to work with the distributors," said Kristen Bibby, Scotts' manager of its investor relations office. "So there will still be tech reps, but it will be a Scotts' tech rep working with a sales person from the distributor."

Scotts is retaining a field sales force and field-based technical group to provide distributors with product training, address questions from customers, and maintain involvement in university trial work.

The reorganization consolidates marketing, sales, and customer service, into a single group staff. In addition to cutting costs, the consolidation integrates brand management across all customer segments in the Professional Business Group for the first time.

MARYSVILLE, Ohio — In a move to increase its seed business, the Scotts Company has reached an exclusive distribution agreement with Spokane, Wash.-based Landmark Seed Company.

Scotts, which has sold seed direct for the last 35 years, will now be utilizing an extensive distribution network to move its seed products. Under the new arrangement, Scotts will grow, supply and market seed, and Landmark will be responsible for sales, invoicing and distribution. The financial terms of the agreement were not disclosed.

According to Wayne Horman, director of national accounts and the marketing manager for seed, the distribution changes are the first step in making Scotts more of a seed company.

"We have really been a fertilizer company that sold seed. We did not operate as a seed company," said Horman. Citing technologically advanced varieties like Round-Up-ready bentgrass and bluegrass, Horman said it was time that Scotts seed stood on its own and gained an identity.

"We asked ourselves: 'Can we continue to do business the same way?' Probably, we could have kept things the same and continued to grow incrementally every year," said Horman. "But we work in times where small growth is not good enough. We had to change and go in a different direction."

Scotts and Landmark have pulled together an experienced sales team, with the addition of Don Woodall from Burlingham Seeds/ABT and Ray Brubakken and Orlin Reinhold who all have established relationships with distributors. So far, Scotts has 20 distributors across the country. Distributors will now send orders through Landmark.

Continued on next page

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Scotts seed
Continued from previous page
which will ship the seed throughout the country and handle the billing and accounting.

According to Horman, the new operation will be smoother, eliminating many of the headaches that plagued his territory managers and distribution system in the past.

"What we did in the past was store seed at seven different locations around the country," said Horman. "But we would put things in the wrong warehouse and have delivery or back order problems. This agreement helps us get away from that. There will now be a distributor in the area that has the seed that the customers need."

Landmark's expertise in handling complex distribution systems will allow Scotts to improve delivery timeliness, offer more services to its customers and better serve regional demands.

"With regional distributors, we will have a better idea of what the customer wants. If there is a greater demand for a product in Michigan, we can do that now. We can gear up and meet demands in a specific state or region very well," said Horman.

The company's 50 territory managers will continue to promote Scotts seed, but they will be promoting the regional distributor and the services they offer. "It allows them to push seed, but not have to deal with getting the product there," said Horman.

Zinc/Air battery
Continued from page 31

"In a lead/acid battery you're using the lead/hydrogen reaction. In this you're using the zinc/oxygen reaction which generates electrons," said Dana Lang, director of advanced turf care at Toro. "This device consumes zinc and creates zinc oxide and in the process gets electrical energy out of it."

When the zinc/air fuel cell is exhausted, zinc pellets are pumped into the cell along with a liquid electrolyte from a "vending-machine-sized" recycling/refueling unit. At the time of refueling, the zinc oxide byproduct produced by the reaction is pumped into the unit and is turned back into zinc pellet form.

According to Colborn, this refueling takes approximately five minutes, while the recycling inside the "vending machine" is continuous.

"Aside from the recycling advantage, there's up to seven times the energy per pound in zinc/air versus lead/acid," said Colborn. "We're not promising that at the beginning, but we are promising nearly double the range of the lead/acid system as development continues."

Metallic Power is taking product development one step at a time. "It's not going to happen tomorrow," said Colborn. "We're producing Alpha prototypes this year. Next year we're planning a field demonstration with 50 units. The following year we go into production."

SRO deal
Continued from page 31

Advanta.

While SRO will benefit from Advanta's strong technological knowledge and research and development capabilities, Advanta will gain a powerful marketing arm.

Advanta found it tough going as a new entry in the North American market. "They decided that in order to be a player in this market they had to go through another company," said Robinson. "SRO offers them a large distributor base, a distinct market presence and it, in turn, will be easier to move both the existing and the new products that come out of our agreement into the marketplace."

SRO has taken over all of Advanta's varieties and customer base and has hired Advanta salesman Scott Harer to handle Advanta's Royal product line and the new products that emerge from the joint research efforts.

SRO deal
Continued from page 31

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