SUPPLI® BUSINESS

AgriBioTech launches new wholesale business unit

BY ANDREW OVERBECK

SALEM, Ore.—AgriBioTech's integration efforts continue to take shape with the formation of Independent Seeds as the company's new turf, forage and international wholesale business unit.


"This business unit will have a separate and distinct product line that will be marketed through existing wholesale distribution channels," said John Zajac, director of Independent Seeds. "We will fully represent all the warm- and cool-season turf varieties in one location and through one sales representative."

By combining these 13 companies, Independent Seeds offers a broad line of high-performance turfgrass varieties. "If you take the companies that used to exist and replace them with the Independent Seeds name, we are very well represented in the top grouping of many of the current turfgrass trials," said Zajac. The new company will also benefit from increased marketing and ordering efficiencies.

"We have invested in more sophisticated warehouse tracking, which will make it easier to work with distributors; and we are working to simplify and trim down operations integrating our Oregon people into one location," said Zajac. "As we integrate we will take these new efficiencies and reinvest into research and development and new products."

Improving research and development efforts is at the top of Independent Seeds' list. "We want to continue to play a leadership role in both warm- and cool-season grasses as far as the end user is concerned," said Zajac. A larger research program will also allow Independent Seeds to delve into more diverse projects. "We will spend more time looking at the less-important and more-obscure grasses that could be developed to serve niche markets that are now not being invested in," said Zajac.

Another fact of Independent Seeds' business will be handling the international activities for ABT. "We will be making a more concerted effort to serve the international market," said Zajac.

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NEW PRODUCT OF THE MONTH

TEXTRON ROLLS OUT NEW RANSOMES E-PLEX II ELECTRIC GREENS MOWER

Textron Turf Care and Specialty Products offers the Ransomes E-Plex II electric greens mower. Designed to boost mowing productivity and performance, the E-Plex II's quiet, pollution-free operation makes it ideal for courses that are near residential developments. Equipped with a 48-volt electric motor, the E-Plex II draws its energy from eight 6-volt batteries and can operate up to three hours on one full charge. Since it has no hydraulic system, oil, air filters, spark plugs, radiator or ignition components maintenance is kept to a minimum. Total cutting width of the Ransomes E-Plex II is 62 inches. To optimize mower performance, a programmable hand-held service tool provides convenient diagnostic checks of the electrical system.

Landmark to handle Scotts distribution

BY ANDREW OVERBECK

MARYSVILLE, Ohio—In a move to increase its seed business, the Scotts Co. has reached an exclusive distribution agreement with Spokane, Wash.-based Landmark Seed Co. 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 any spraying business," said Horman. Citing technologically advanced varieties like Round-Up ready bermgrass and bluegrass, Horman said it was time that Scotts seed stood on its own and gained an increased market share.

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Flowtronex PSI acquires Mikotech

DALLAS — Flowtronex PSI has strengthened its direct service capabilities to courses in the Southern California and Nevada markets by acquiring River-side, Calif-based Mikotech.

Mikotech's seven service technicians stationed in southern California and Las Vegas will remain with Flowtronex PSI as its Western Service Group, with plans to increase the total service staff to 12. The acquisition includes a 10,000-square-foot office complex-warehouse located in Riverside to serve Flowtronex PSI customers in the Los Angeles-Orange County, Palm Springs and Las Vegas areas. Mikotech has been a certified Flownet service provider since 1993. "The acquisition is much more than part of PSI's ongoing effort to devote more technicians and resources to offering local factory direct service to customers," said Flowtronex PSI General Manager Tom Male.

Mikotech's founder, Mike Skidgel, will continue to manage day-to-day operations and maintain responsibility for his existing service territories. "I envision better, more efficient and more timely customer service with the additional resources at our disposal," said Skidgel.

Mikotech is the second such acquisition in a year. Last August, Flowtronex upped its presence Kentucky, Tennessee and the Carolinas by acquiring the Rich Embry Co.

September 1999

Golf Course News STOCK REPORT (9/15)

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<th>Company</th>
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<th>Stock</th>
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* — DATA PROVIDED BY THE VALUE TREND LINKS

October 1999

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Toro announces strong third-quarter earnings

BLOOMINGTON, Minn. — The Toro Company reported a strong third quarter ended July 30, due to growth in its professional businesses and improved results from last year's profit improvement initiatives.

Net sales for the quarter were $325.3 million compared to $291.0 million for the third quarter last year, an increase of 11.8 percent. Year-to-date net sales were $1.01 billion compared to $880.7 million for the same period last year, an increase of 14.6 percent.

"We are realizing the benefits of our profit improvement program and our intensified focus on asset management. Moreover, our improved performance also allows us to pursue a greater number of strategic investments for a stronger future earnings capability," said Kendrick B. Melrose, chairman and CEO of Toro.

Scotts/Landmark

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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 Burlington Seeds/ABI and Ray Brubakken and Orlin Reinhold, who all have established relationships with distributors. So far, Scotts has 20 reps across the country. Distributors will now send orders through Landmark, 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 to 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 30 territory managers will continue to promote Scotts seed as before, 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 it there," said Horman.

Independent

Continued from page 39

global marketplaces," said Zajac. "With more proprietary and common varieties at our disposal, we will have a more defined international program."

Independent Seeds will be involved in contract production and production licensing agreements internationally as well as research and development internationally at existing facilities in Europe, South America, Asia and Eastern Europe.

Zajac is still working to integrate the 13 companies, a process that began in July. "We are now in a difficult period of trying to cope with the late harvest and make some of these changes," said Zajac. "It will take the majority of the fall to get going smoothly, but we will be in tune by spring."

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- Root mass increases by up to 40%!
- Plants are more resistant to disease.
- Weather and even drought will take less of a toll.

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