AgrEvo, Rhone-Poulenc finalize merger, launch Aventis Environmental Science

Chipco Professional Products division to serve the golf industry

By ANDREW OVERBECK

MONTVALE, N.J.—As the pace of mergers within the agrochemical industry continues to quicken, new corporate identities are starting to emerge. After a year of working out the details, the parent companies of AgrEvo Environmental Health and Rhone-Poulenc have created Aventis Environmental Science (AES). The new company is, for the time being, believed to be the largest global manufacturer of turf and ornamental industry pest products. AES is a separate legal entity of Aventis S.A., the life sciences merger of Hoechst and Rhone-Poulenc.

Within the golf industry, AES will be known as Chipco Professional Products (CPP) and will hold a 15-percent share of the turf and ornamental market. According to Joshua Weeks, vice president of CPP, professional product lines from both companies will be carried forward.

"There is a remarkable lack of overlap," said Weeks."There are a couple of areas in fungicides and one in insecticides, but for the most part it is a complete fit." The new company will concentrate much of its efforts on research and development.

"The reason these mergers happen is twofold," said Weeks. "The research and development requirements and the regulatory costs that it takes to be successful in this business are substantial. By joining forces you can concentrate more dollars on research and development and there are certain synergies in terms of expertise on the regulatory side."

As a result, the new product pipeline is primed. In the coming years, CPP will be rolling out a new turf fungicide, triticonazole, as well as an ornamental insecticide, acetamiprid. Expanded turf uses for Chipco Choice are also in the works. In the long term, CPP is working on both a transgenic turfgrass that will impart herbicide resistance and a post-emergent herbicide.

To keep the new products coming, CPP will be bundling its new products into a Program Plus package. The package will include a new turf fungicide, a new insecticide, and a broad-spectrum herbicide.

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Flowtronex PSI, Waterscapers team up for landmark Vegas project

By ANDREW OVERBECK

BOULDER CITY, Nev.— Even golf courses are larger than life in Las Vegas. Construction work is underway here at MGM Grand’s expansive 36-hole Cascata Golf Club that will feature an irrigation system that will pump 2 million gallons each day. Combing electronics with telemetry, Flowtronex PSI will be able to monitor the course systems’ water usage from the company’s Dallas headquarters.

As part of the number of systems, irrigation stations and water features we have networked the pumping stations so that you can call one and get to any of the others through a single modem connection," said Flowtronex General Manager Tom Male.

The system will use 11 different pumps to control the irrigation, potable water and water features on the course. The $1 million project is one of the largest completed by the company.

According to water feature designer Richard McGuire of Buena Park, Calif.-based Waterscapers, the mountainous site has a number of unusual features. "We have 200 to 300 feet of relief from the top to the bottom of the site, so pump stations are significant," said McGuire. "With the combination of streams, ponds and waterfalls, the most economical way to accomplish that hydraulically has been to combine the

Golf Course News STOCK REPORT (1/14)*

Company | Symbol | Stock Price | %Change | 52-week Range | Prog. 5-yr. Range | %Growth
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Astrazeneca | AZN | 41 | 1.00 | 2.96 | 31.16 | 35.48 | 94 | 10.20
Deere & Co. | DE | 48 | 13.27 | 12.28 | 24.87 | 31.47 | 9.20
Dow Chemical Co. | DOW | 13.37 | 5.09 | 13.33 | 55.25 | 65.22 | 51.45 | 8.40
Family Golf Centers | FGC | 1.53 | 8.80 | 9.29 | N/A | 0.72 | 24 | 25

Pharmacia & Upjohn, Monsanto to merge

ST. LOUIS, Mo.— After three failed merger attempts, Monsanto Co. has agreed to terms with Pharmacia & Upjohn in what is being called a deal-of-equals. The proposed merger would create a company with combined 1999 sales of $17 billion and a market capitalization of more than $50 billion. The deal is subject to shareholder and regulatory approval.

Street and investors have so far reacted coolly to the merger announcement amid fears of taking on Monsanto’s troubled agricultural-chemical business. While sales of Monsanto’s popular herbicide Roundup are impressive, the company has been embroiled in controversy over its genetically modified seed business.

Under the deal, 19.9 percent of Monsanto’s agriculture business will be offered in an Initial Public Offering (IPO) and it will become a separate legal entity with a standalone board of directors and its own publicly traded stock upon completion of the IPO. The new agricultural business will be headquartered in St. Louis.

Leading the combined organization as president and chief executive officer will be Fred Hassan, the current CEO of Pharmacia & Upjohn. Monsanto Chairman and CEO Robert Shapiro will become the non-executive chairman for a period of 18 months, after which he will be succeeded by Hassan. Monsanto’s Hendrik Verfaillie has been appointed CEO of the agricultural business. The combined company will have a research budget of $2 billion and will save an estimated $600 million within three years. The merger is expected to close in the second quarter of 2000.