Turf Partners, ABT deals done, Simplot busy putting pieces together

BY ANDREW OVERBECK

BOISE, Idaho — With the acquisition of Turf Partners completed and the purchase of turfgrass seed and specialty distribution assets from the now-defunct AgriBioTech (ABT) finalized, Simplot Turf and Horticulture (Simplot T&H) is now putting the new pieces of its expanding business together.

“We are creating a fairly new organization out of parts of the Simplot Company,” said Bill Whitacre, president of Simplot T&H, who left his CEO post at St. Joseph, Missouri-based Research Seeds to join the company May 1. “This is a work in progress. We are building the systems and processes right now.”

The challenge, according to Whitacre, is staying focused on customers while at the same time working on organizational and structural issues. “We are forming a central administrative group so that we can move the transactional processes through,” he said. “This allows the business units to focus on the customer and run the business.”

Simplot T&H will be moving to new digs in Boise this fall.

SIMPLOT PARTNERS

After months of negotiations, Simplot T&H finally purchased Turf Partners, Eco Soil System’s distribution arm, in late July for $81.5 million, including $38.5 million in bank debt and vendor payables. The company is already moving to integrate Turf Partner’s 25 locations and 200 employees and has changed the name of the new distribution division to Simplot Partners. Nick Spardy will be the general manager of the company, which will continue to be based in San Diego.

In the near term, Simplot Partners gives the company access to markets in the Northeast and Midwest. However, Simplot T&H is looking to do more. “There are areas that Simplot Partners is not strong in, such as Texas and the Southeast and we will need to analyze those areas,” said Whitacre. “Our objective is to be a nationwide organization.”

Simplot T&H will also carry forward Eco Soil’s e-commerce initiative, which is, for now, a work in progress.

“There will be an e-commerce revolution in this market sector,” said Whitacre. “Our website will create value way beyond the logistical process of fulfilling an order. It will be more of a tool, helping the superintendent manage his business and budget.”

In addition to strengthening its distribution network and adding e-commerce capabilities, Simplot Partners has also agreed to market Eco Soil’s proprietary FreshPack products. Simplot agreed to purchase a minimum of $5 million of FreshPack products during the first two years of its five-year distribution deal.

Whitacre said the company is also looking at the marketability of Eco Soil’s Bioject biological distribution system. “We are staying close on those products,” he said. “We believe that it [Bioject] has an excellent opportunity in the marketplace.”

ABT VARIETIES

In addition to turfgrass varieties, Simplot T&H also picked up some distribution locations in the ABT buyout. However, it is already looking at consolidating those companies.

“Turf Las Vegas is new, so we will

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Parkway helps supers get rid of excess supply

BY ANDREW OVERBECK

HOUSTON — Sensing a need to relieve superintendents of excess chemicals and fertilizers, Parkway Research has created CleanUpTheChemicalRoom.com, a service that turns unwanted inventory into a usable asset.

Parkway Research, a national manufacturer and blender of specialty golf chemicals and fertilizers, launched the website in February as a way to help superintendents and boost company sales at the same time.

“We got the idea that if we can figure out a way for a superinten- dent to treat stock he is not going to use,” said company president Ray Kimmel, “then perhaps we can get some of our stuff in there.”

For example, if a superintendent has 10 cases of Roundup that he wants to get rid of, the company would buy that from him for a percentage of the market value and give him credit for Parkway products in that dollar amount. The company then turns around and sells the Roundup to interested buyers.

Parkway arranges the shipping and those costs come out of the initial transaction.

“We acquire products at a cost that is very reasonable. And the trade value of our manufactured goods in effect brings down our cost of goods,” said Kimmel. “As a result we make two customers happy. One gets rid of stuff he didn’t

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Tyler ready with Louisville operation

ELWOOD, Ill. — Bruce Jasurda, COO of Tyler Enterprises has announced the opening of a full-service warehouse and delivery operation in Louisville, Ky. The 3,200-square-foot building in the Bluegrass Corporate Center will serve as a distribution center for Tyler’s custom blended fertilizer products and specialty chemicals, and as an office for the Kentucky sales and service team.

“Five months ago, Tyler launched an aggressive marketing and sales effort into the Kentucky golf course, landscape, lawn care, nursery and public grounds markets,” said Jasurda. “The opening of this facility represents our commitment to the specialty turf customers in the state.”

The distribution center will be managed by Sam Huff, who is also responsible for sales, delivery operations and the scheduling of Tyler’s proprietary custom fertilizer application system for golf courses. Company officials have indicated that additional staffing of the facility is currently underway.