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 $61.5 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.

"The Las Vegas site is new, so we will continue on page 37

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 how to do a better inventory this season, we want to get rid of any excess," said company president Ray Kimmel, "then perhaps we could 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 need and the other gets a reasonable price."

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.

JOHN DEERE 4700 COMPACT UTILITY TRACTOR WINS AESO AWARD

MILWAUKEE — The John Deere 4700 compact utility tractor has been given an AESO Award by Resource: Engineering & Technology for a Sustainable World. The award was presented to the John Deere Commercial Products Group at the 13th ASAE annual international meeting here. AESO awards are given each year to honor companies that release the best new products engineered for agriculture, food, biological and related systems. "We are proud that the AESO program has recognized the 4700 for its innovation," said Terry Brown, product manager compact tractors for John Deere Commercial Products. "The 4700 is the highest horsepower tractor with hydrostatic transmission in its class. We think this is one element that made it stand out above other entries."
John Deere updates logo

MOLINE, Ill. — John Deere has updated its leaping deer trademark to appear stronger and more dynamic with a greater emphasis placed on the John Deere name.

Rain Bird extends supplier agreement with Pebble Beach

AZUSA, Calif. — Rain Bird has extended its exclusive agreement with Pebble Beach Resorts as the official irrigation supplier. The new agreement runs through 2003. Rain Bird will have official supplier status on all Pebble Beach Co. managed properties including Pebble Beach Golf Links, Spyglass Hill Golf Course, the Links at Spanish Bay, and Del Monte Golf Course.

“When we installed Rain Bird five years ago, we were convinced that it could provide us the level of technology and commitment to service that we require,” said Ted Horton, vice president of resource management. “The U.S. Open preparation this year has confirmed that belief.”

As part of the agreement, Rain Bird will also receive input from Pebble Beach Co.'s superintendents for product research and development purposes.

“Rain Bird has benefited from its relationship with Pebble Beach,” said Mike Donoghue, Rain Bird Golf Division director. “The stature of the golf course, the expectations for playing conditions, the weather, and the environmental sensitivity of the site combine to provide a true challenge for an irrigation system.”

Parkway

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need or want and the other buys it at a reduced cost.”

So far the new service has worked well, said Kimmel. “We get a lot of inquiries for products that have either expired registrations or are too hazardous,” he said. “We turn down a lot of trades, but we accept most. We only take stuff that we know we can resell—most golf course specialty chemicals that are in original sealed containers and don’t have expired registration we can dispose of fairly quickly.”

Products are inspected once they arrive at Parkway, and if they are in resellable condition the deal is complete and credit is issued to the seller. Unacceptable products are shipped back to sellers at their expense.

As the new stock rolls in, Parkway salespeople are given a list of what has been acquired. “We sell it off quickly,” said Kimmel, “because we make those products available at very good prices.” Cleanupthechemicalroom.com also lists available products on the Internet.

The new service has been well-received by Parkway’s 3,500 golf course customers and has given its salespeople a new and valuable selling tool.

While Kimmel isn’t sure if the new service has attracted customers, he does know that it has helped to strengthen his existing customer base. “I don’t know if it has brought in any new customers,” he said. “But I think it has helped to develop those we already had.”

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