BRIEFS

TGTSP NAMES CARLSON PRESIDENT

CHARLOTTE, N.C. — Textron Golf, Turf & Specialty Products has appointed Jon Carlson to the post of president of its Turf and Professional Lawn Care business. Carlson will be responsible for all aspects of Textron's golf, turf and professional lawn care business, including sales, marketing, engineering and manufacturing. He will report directly to TGTSP chairman and CEO Greg Hyland. Prior to joining Textron, Carlson was senior vice president and general manager of Case Corp.'s North American agricultural business unit.

Jon Carlson

SYNCROFLO RESTRUCTURES STAFF

ATLANTA — SyncroFlo has restructured its staff to handle the increase in its golf business. Jonathan Gaillard, who joined the company in 1997, is the new vice president of sales and will oversee all sales, engineering, service and marketing activities. James Simonini adds municipal sales and corporate marketing to his existing responsibilities as market development manager for golf and irrigation. Bryan Adams, who has been with SyncroFlo since 1998, has been promoted to project manager, golf and irrigation. He will manage several national accounts and continue to manage inside sales.

Jonathan Gaillard

Bryan Adams

WALTER JOINS FMC

PHILADELPHIA — Jim Walter has joined FMC Corp.'s specialty products business as the turf and ornamental/general household pest segment manager. In his new role, Walter will be responsible for analyzing, developing recommendations for and implementing all marketing related activities for the unit. Walter previously served as the turf and ornamental manager for Rohm & Haas.

Harrell's merges with Wilbro to become Southeastern powerhouse

By ANDREW OVERBECK

SYLACAUGA, Ala. — Harrell's Fertilizer, based here, has become a regional force overnight following the completion of its merger with Norway, S.C.-based Wilbro Jan. 1. With the deal, Harrell's has added coverage in the Carolinas, Virginia, and eastern Tennessee to its existing service area of Florida, Alabama, Mississippi, Louisiana, and western Tennessee.

Harrell's will be taking over existing Wilbro accounts and will also gain a blending plant and distribution facility in Norway. Jack Harrell, Jr. will be the president and CEO of the new company and former Wilbro president Harvey Williamson will serve as general manager of the Norway operations.

"We had been talking for two years about getting together," said Steve Wilson, director of marketing and communications for Harrell's. "The two companies are very similar, we both manufacture custom fertilizers and are distributors for PTI's POLYON product.

"The business philosophies are also similar," Wilson continued. "The customers will not see any difference in operations or service. We will bring our small company philosophies to a larger company. We don't want to forget what has made us successful."

Harrells' new formulation and distribution center in Sylacauga, Ala.

PROSPECTING FOR CUSTOMERS

With that in mind, Harrell's will not be cutting many jobs, keeping all Wilbro sales staff and only trimming extraneous accounting and office staff in Norway.

While Wilson said the current economic situation did not drive the decision, he did say the combined company will enjoy economies of scale in regards to purchasing.

"In this business you either shrink or

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Toro closes two factories

BLOOMINGTON, Minn. — In a continual effort to reduce production costs and improve asset utilization, Toro Co. has announced the closure of two factories in the last several weeks.

In early December, the company said that it will sell its Riverside, Calif., headquarters and plant and move all manufacturing operations, including golf-related irrigation products, to its facility in El Paso, Texas. Toro will leave its office operations in Riverside.

As a result of the plant closure and restructuring, 440 jobs will be eliminated. The move is expected to cost between $6.4 and $6.9 million in fiscal 2002 and provide an annual savings beginning in 2003 of between $7 and $7.5 million.

In addition, the company will close its Evansville, Ind., plant and shift manufacturing to its Tomah, Wis., and Windom, Minn. plants. The factory produced Toro and Exmark branded grounds maintenance and sports turf spraying equipment.

Toro said the closure will affect 94 employees and result in a cost savings of about $2 to $2.3 million beginning in 2003. Manufacturing will be phased out by June 15 and inventory and equipment transfers

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Deere's financial woes to extend into 2002

MOLINE, Ill. — Deere & Co. reported worldwide net losses of $320.1 million for the fourth quarter and $64 million for the year ended Oct. 31. The company posted a net income of $71.1 million last year. Deere expects losses to extend into the first quarter of 2002 and beyond.

Affecting results for both periods were after-tax charges of $216.6 million caused by early retirement programs, the decision to exit the handheld consumer products business and the restructuring of certain manufacturing and marketing operations.

"Fourth-quarter results were adversely affected by production cutbacks aimed at driving more efficient asset levels and by continued weakness in our major markets," said Robert W. Lane, chairman and CEO.

For the quarter, net sales of all segments were lower than last year due to production cutbacks, continued softness in the economy and weaker foreign currencies.

Looking forward to 2002, Deere said that its first-quarter net sales will likely fall three to seven percent and that it plans to cut an additional 250 jobs at its headquarters.

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In other news, Deere & Co. has sold its Homelite consumer products business to TechTronics Industries Co. of Hong Kong. Under terms of the agreement, TechTronics will own the Homelite brand of handheld and power equipment. Deere said it will continue to market its John Deere Pro Series line of handheld equipment for commercial users.

LESCO's 3Q sales up, net income down

CLEVELAND — LESCO has announced record sales of $144.1 million for the quarter ended Sept. 30. In the third quarter of 2000, the company had sales of $139.6 million. Net income for the quarter, however, was $300,000 – down from $4.2 million a year ago.

The company cited the rising cost of raw materials, a competitive price environment and the attacks of Sept. 11 as reasons for the earnings downturn. Sales for the golf division in the quarter were flat, but down 17 percent in September. As a result of weak operating results, the company is negotiating temporary relief from its lenders and is pursuing the refinancing of debt on a longer-term basis.

President and CEO Bill Foley is looking for better returns in the fourth quarter.

"In response to increased market competition and pressures on margins, we have continued to reduce costs," said Foley. "We have reduced our headcount by 60 people and discontinued 1,500 slow moving products in 2001. We also expect to benefit from increased sales and the lower urea costs that we have seen in the fourth quarter."

Aquatrols unveils five new products, severs Simplot ties

By ANDREW OVERBECK

CHERRY HILLS, N.J. — Like most companies in the golf business, Aquatrols has put 2001 behind them and is looking towards 2002 with more optimism. The company has reason to be optimistic since it is introducing five new products that will hit the market in February.

"We are much more excited about 2002," said vice president for sales and marketing Ron Gagne. "We have three new formulations for existing products and two brand new products that utilize new chemistry."

The company's Primer surfactant has a new Select formulation that will allow superintendents to fine tune rates based on course conditions. It is also available as a spreadable, water dispersal granular (SWDG). Its Aqueduct product is also available as a SWDG.

"This allows for lighter rates and the new granular formulation dissolves the minute water hits it," said Gagne.

NEW CHEMISTRY

Aquatrols has improved on its wetting agent technology with the introduction of Dispatch, which is seven times faster than its existing Infiltrex product.

"Dispatch completely overwhelms Infiltrex," noted Gagne. "It allows water to

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Ford rolls out TH!NK neighbor

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use alternative fuels.

The neighbor weighs in at 1,300 pounds, is eight inches wider than an average golf car, and can go up to 25 mph. The vehicle uses a 72-volt power system with six 12-volt batteries and has a range of 30 miles.

It is also available with a sport package that includes: a golf speed setting of 15 mph; ball, tee and scorecard holders; club washer, sand and seed bottles; and a bag rack. The street-legal golf car will sell for approximately $6,495.

Klein also said that the division will be introducing a utility vehicle model this summer.

The neighbor vehicle comes with a "sport" package for golf.

MARKET REACTION

The entry of a Big Three automaker to the golf car market has so far been greeted with indifference from existing manufacturers.

"It is not positioned for general applications on golf courses in terms of weight, turf compaction and turning radius," said Club Car's vice president and business manager Dewey Holland, who used to work for Ford as a marketing manager for its pickup truck line.

Lack of a traditional distribution network will also pose a competitive disadvantage, according to Ron Skenes, marketing communications coordinator for E-Z-GO. "They have name recognition, but distribution is the challenge," he said. "Dealers with showrooms are not how courses purchase golf car fleets."

Ford's entry into the market, however, may lead golf car manufacturers to get into the neighborhood electric vehicle market. Reedsburg, Wis.-based Columbia Par Car will introduce a product into that niche this year and other car makers hinted that they might soon follow.

"They expand people's ability to get around, and the electric vehicle is a new way to do it," said Yamaha's president Bill Szarowicz. "I am glad Ford is doing it because it shows that golf cars are not just for golf anymore." ■

Aquatrols sends up new products, ends supply agreement with Turf Partners

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penetrate almost immediately reducing runoff and evaporation, thereby reducing water and electricity consumption." While the product only lasts a couple of weeks, Gagne said it costs $4.25 an acre.

The company's other brand new product is an algaecide that is currently nameless because the Environmental Protection Agency did not approve the original name.

"I have been doing this for 30 years," Gagne said, "and I have never had the EPA reject a name."

The new algaecide uses a form of copper that carries a double positive charge allowing it to distribute itself evenly throughout a pond and last longer than conventional copper algaecides that only have a single positive charge.

"The advantage is that it lasts longer and can be distributed evenly from one location," said Gagne. "Other products require multiple points of entry."

Aquatrols purchased the turf market rights for the product from Arkansas-based Earth Sciences Laboratories.

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In other news, Aquatrols has terminated the supply agreement that it had originally signed with Eco Soil Systems to manufacture a line of private label products.

When Simplot purchased Eco Soil's distribution company Turf Partners and formed Simplot Partners, Aquatrols continued to honor the manufacturing agreement for the new company. That will all change for 2002.

'Going forward, it was an outlet that we didn't want to keep going'
— Ron Gagne

"Going forward we didn't feel that it was an outlet that we wanted to keep going," said Gagne. "It had nothing to do with Simplot Partners, and more to do with the fact that we felt it was interfering with our branded products."

The products in question include Brilliance, Rely II, Rely Granular, ReWet, ReWet Granular, and Syringe. Simplot Partners said that it will continue to market and sell the products but declined to disclose whether the company will manufacture the products itself or sign another outsourcing agreement.■

Biotech controversy

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tested by APHIS, according to Horman. A tentative timeline for release is in the fall 2003.

TURF SEED, INC.

Bill Rose, president of Turf Seed, Inc. in Hubbard, Ore., would argue that there is no such thing, to date, as a safe control zone for testing open pollinated transgenic bentgrass. The company's research corporation, Pure Seed Testing, performed their own evaluation on GM pollen outflow in 2000 in order to establish their position.

The research company's president, Crystal Rose-Fricker, and researcher Joseph Wipff determined in their study, *Gene Flow from Transgenic Creeping Bentgrass in the Willamette Valley*, that introduced genes in bentgrass can release GM pollen to distances up to and greater than 3,000 feet.

"The APHIS regulations are not safe at all," said Rose. "In our study, all species of grasses that we exposed the transgenic pollen to received it, and they were capable of reproducing and sending the introduced gene on further. We met with APHIS and presented our position to them, but they were basically non-committal."

Rose pointed to the Aventis' Starlink fiasco last year when their *Bacillus thuringiensis* (Bt) corn – approved by the Food and Drug Administration for animal consumption only - prompted public fears of allergens as the product found its way into taco shells.

"Anyone familiar with the Starlink case with Aventis know that it just about broke that company," said Rose. "Aventis not only had to reimburse the farms that grew the genetically modified corn, but all the farms adjacent to them paying the premium on the product produced.

"I see the dangers with bentgrass being about 10-fold more. Corn is an annual and, of course, bentgrass is a perennial," explained Rose. "When [GM] pollen is received by an *agrostis* plant, it can just leap frog again on to another plant."

An escape of an introduced gene would be difficult to contain in the Willamette Valley, according to Rose. "Our company alone has 500 acres of Poa in production that will have to move elsewhere if it becomes contaminated," he said. "Our study was undertaken to identify how big the problem could be, and it's huge."

Animals and wind are mentioned as having potentially adverse effects on testing sites. "The wind in the valley can reach up to 50 miles per hour. Any GM seed, depending on which way the wind is blowing, can end up 10 or 15 miles from a testing site," Rose said.

MALE STERILTY

Rose also is president of the biotechnology company HybriGene in Hubbard, Ore that is working to create a desirable bentgrass as a male sterile plant. "We're active in producing transgenic bentgrass," said Rose, "but we've opted to not proceed with open pollinated research until the seed we produce can not reproduce itself.

"Dr. Albert Kausch runs our HybriGene lab in Rhode Island where we're working to create a male sterile bentgrass," Rose continued. "We'll have product that produces desired turf and is sterile by 2004. Companies currently testing with transgenic perennial grasses should cease until there's sterility in the product. Even with greater control zones established, it's still risky." ■

American Golf

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Properties (NYSE: TEE) fell 23 percent after the course owner, which leases 137 courses to AGC, said AGC might be unable to make its full rent payments in 2001. NGP, which is AGC's largest single landlord, said it might have to renegotiate its leases with the management company.

Three months ago, National Golf said that American Golf had a technical default on its debt. A technical default occurs when a borrower violates a covenant governing the terms of its debt.

NGP cited a weak economy, bad weather and the terrorist attacks of Sept. 11 as having hurt golf-industry revenues. Also, a record growth in the number of courses, with little increase in the number of golfers, has led to more competition. NGP's properties in Las Vegas and Phoenix have been particularly affected by the recent decline in tourism.

"A couple things are important to realize," said Pillsbury, whose company manages roughly 300 courses. "First, our gross revenue is off four to five percent from the previous year, which is far from a disaster. A lot of businesses in America – given the recession and the events of Sept. 11 – would like to change places with those numbers. Second, we have been planning for the past four months for 2002. We have made structural changes with regard to programs, expense structures, etc., to adapt to the economic slowdown, shaky consumer confidence and a golf environment that is overbuilt."

2002 PLAN

Pillsbury said AGC has produced a financial plan for 2002 that calls for full payment of all its rents, a substantial capital investment back into the business and a significant profit. "We have a responsible, conservative business plan and a management staff to implement that plan," he said. "We are confident in our ability to significantly improve our operating results in 2002."

AGC began taking steps to reduce costs six months ago when it anticipated a decline in revenues, Pillsbury said. The company reduced overhead expenses by 25 percent, amounting to a savings of more than $10 million; made efficiency improvements and cut costs; divested itself of a dozen non-strategic, non-profitable courses; and developed responsible budgets and forecasts for 2002.

Pillsbury said some of the cost-cutting moves involved layoffs. "There is nothing more difficult or painful for someone in management to have to do," Pillsbury said. "And it's hard for the people who remain. [Fellow co-CEO] Joe Guerra and I did town meetings across the United States with our management teams, talking straight with our co-workers about the changes we were making and working with them to develop a plan."

AGC is still acquiring new course leases, although not at the same pace as in the past, Pillsbury said. It will likely shed several additional courses in the coming months. Pillsbury expects AGC to have 280 to 290 courses in its portfolio by the end of 2002.

"Our business plan for next year, which will make us very profitable and more than meet all our obligations, does not call for increased revenues," Pillsbury said. "That's the appropriate way to go into a year like 2002, where there is some uncertainty." ■