PEACHTREE CITY, Ga. — In a move to reach a lower price point with its golf cars, Yamaha Golf Cart (YGC) has opened a reconditioning facility here near its headquarters in Newman to handle its new certified pre-owned vehicle program.

“If price is selling golf cars, we are telling our customers that we save them money in the price of maintenance and upkeep,” said Jon Bammann, division manager of new business development and off fairway vehicles. “Our car has upkeep,” said Jon Bammann, division manager of new business development and off fairway vehicles. “Our car has

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The new factory, however, was not just built to handle products for the golf market. YGC has created a new off-fairway vehicles division to handle the development of new products for the company.

“With sales and service overlapping we had people who enjoyed selling who were restocking shelves,” said DiMino. “Now we have no idea what are supposed to be doing. The sales people can now concentrate on selling.”

DiMino said the changes in distribution and sales will allow for same store growth of five to six percent this year.

SHIFTING INTO REAL TIME

To better track sales from its distribution centers to reduce transportation costs dramatically. The sales force has also been realigned to operate more efficiently. Lesco has combined its golf and lawn care operations to better serve all the people in a region and to eliminate idle salespeople. DiMino has also separated the sales and service departments so that individual roles are better defined.

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To better track sales from its distribution centers, Lesco has partnered with AT&T, Microsoft and IBM to improve its existing reporting system.

“Right now the stores are not in real time,” DiMino said. “Fixing that will allow us to get a jump on replenishing stock, manufacturing capacity and forecasting sales growth.”

Combining these new changes with organic growth like the expansion of its independent marketer program, which now has four members, DiMino said that going forward Lesco could approach eight to 10 percent growth in year-to-year same store sales.

According to DiMino, Lesco is already seeing the benefits of the changes that have been implemented to date. While they have raised prices one to two percent to increase margins, the new CEO reported modest sales growth and lower than expected first quarter losses.

“We have seen a recovery towards profitability because of our efforts to concentrate on productivity and efficiency,” said DiMino.

However, Lesco still faces several challenges, the most pressing of which is saving its underperforming Novex specialty fertilizer brand.

“It is a great product, but it is expensive to make,” admitted DiMino. “On a return on invested capital basis, it is not in the sweet spot at all. Novex by itself will probably not be a $20 to $25 million product line.”

Lesco will be mixing it with its PolyPlus fertilizer to create 10 to 60 percent blends, giving its regular fertilizer the slow-release qualities of Novex. The move is expected to offset production costs while also improving PolyPlus profits.

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“We want to maintain existing customers, build our business and expand into the utility vehicle market, said Bammann. “That’s why we have expanded into off-fairway vehicles and looked at it as a separate business. We are looking at where we can grow the business from a commercial, recreational and industrial standpoint.”