Superintendents turn to generics to save money

The incredible shrinking budget. It's the reason superintendents are using more post-patent chemicals.

About two-thirds of superintendents apply generic pesticides to their golf courses, and about one-third spend half of their total chemical budget on post-patent products, according to a 2006 Golfdom survey of 495 superintendents (for methodology, see page 48).

Of those who use generic pesticides, 93 percent say the primary reason is cost. "My responsibility as a manager is to take a look at this from a business standpoint of the financial responsibility of the club," says Chris Gray, director of golf course operations at the Marvel Golf Club at Kentucky Lake in Benton, Ky. "If I can get the same protection for $25,000 or $30,000 less, then we're obligated to take a look at that."

Post-patent herbicides have been used for some time now, but superintendents have a real opportunity to save money by using generic alternatives of higher-priced name-brand fungicides. Of those who use post-patent fungicides, almost one-third spend at least 50 percent of their fungicide budgets on generic products, according to the Golfdom survey. And trend data suggest they will use more each year if they believe generic products can perform as well as their name-brand counterparts (see chart, page 43).

More than 60 percent of respondents said they increased their use of post-patent products at least 25 percent from 2004 to 2005.
Generic Fungicide Use

In 2006, we asked superintendents, what percentage do you plan to increase your generic fungicide use? Here’s how they responded:

- 29.4% of superintendents said they plan to increase usage by 10%.
- 16.7% of superintendents said they plan to increase usage by 20%.
- 11.2% of superintendents said they plan to increase usage by 30%.
- 10.3% of superintendents said they plan to increase usage by 40%.
- 12.1% of superintendents said they plan to increase usage by 50%.
- 4.8% of superintendents said they plan to increase usage by 60%.
- 4.8% of superintendents said they plan to increase usage by 70%.
- 4.2% of superintendents said they plan to increase usage by 80%.
- 3.6% of superintendents said they plan to increase usage by 90%.
- 2.7% of superintendents said they plan to increase usage by 100%.

It's crucial to test generic products to gauge how different formulations might vary in different climates and locations.

(see top chart, page 46). Nearly 50 percent said they believe generics are as good or better than the original brand (see bottom chart, page 46).

“I would say they are just as good as the name brands,” says Doug Terrell, the certified superintendent of Deer Brook Golf Club in Shelby, N.C.

Terrell has been using generics for about three years on all 18 greens in the transition zone. His modest budget of $350,000 was the main reason he switched to generics, and he estimates he saves about 10 percent to 15 percent versus the price of name-brand products.

Terrell’s use exemplifies a growing number of superintendents willing to use generic products on their precious greens.

Many superintendents reason that if they are willing to give their children generic pharmaceuticals, then why not their putting greens?

Tees and fairways long have received post-patent products to help mitigate costs over the large-acreage portions of the golf course. But ever-increasing budget constraints and well-proven fungicide formulations of generic products has made superintendents willing to use them on their most treasured turf as well.

Chlorothalonil and iprodione are among the chemistries that have been off patent long enough in different generic formulations to establish a good track record, and many superintendents are happy with their respective performances.

Jim Tollefson, certified superintendent

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Comparing Generic Chemical Usage from 2004 to 2005

- 6.4% of superintendents said they increased usage by 100%.
- 5.2% of superintendents said they increased usage by 75%.
- 17.3% of superintendents said they increased usage by 50%.
- 32.7% of superintendents said they increased usage by 25%.
- 33.9% of superintendents reported no change in usage.
- 3.0% of superintendents said they decreased usage by 25%.
- 0.6% of superintendents said they decreased usage by 50%.
- 0.6% of superintendents said they decreased usage by 75%.
- 0.3% of superintendents said they decreased usage by 100%.

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- CHRIS GRAY

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of A-Ga-Ming Golf Course in Kewadin, Mich., has used post-patent products on his entire golf course since 1994. He says he saves about 20 percent in his fungicide budget versus buying name-brand products.

But it’s crucial to test generic products to gauge how different formulations might vary in different climates and locations. For superintendents who deal with several microclimates, it’s a good idea to conduct a few different test sites around the property any time new chemicals of any kind are tried on turf.

“We’ve had great success for many years, so I don’t see any problem at all,” Tollefson says. “But before I used any of them, we did a couple tests over a month to six weeks. We go right down the middle of the green to see if there is any difference between brand A and the generic, and if we don’t see any difference, then we’ll usually go with the generic because prices are usually substantially less.”

Gray says he uses generics for about 25 percent of his products on his bluegrass course.

“The way things happen at university tests or your colleagues’ golf courses down the road might be completely different,” Gray says. “Until you put [a generic product] on your golf course yourself, you won’t know if it will be good or bad for your spray program.”

Gray says it’s important to experiment not only for efficacy, but to make sure you’re putting down the same application rate on the greens to compare apples to apples.

He says his program probably saves about 15 percent to 20 percent on the products he

Why Use Generics?

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Reason</th>
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<tbody>
<tr>
<td>49.7%</td>
<td>I believe the generics I buy are as good or better than the original brand.</td>
</tr>
<tr>
<td>36.6%</td>
<td>I'm using more of them because of budget cuts.</td>
</tr>
<tr>
<td>35.1%</td>
<td>I trust my local distributor's recommendations about these products.</td>
</tr>
<tr>
<td>26.5%</td>
<td>I like to experiment with new things so I'm testing different generics.</td>
</tr>
<tr>
<td>24.1%</td>
<td>They may not be quite as good, but they're worth it to save money.</td>
</tr>
<tr>
<td>21.3%</td>
<td>I tried them because my colleague(s) in the area had success with them.</td>
</tr>
<tr>
<td>6.1%</td>
<td>I tend to stick to proven branded products and I'm still suspicious of generics.</td>
</tr>
<tr>
<td>2.1%</td>
<td>Question does not apply to me.</td>
</tr>
</tbody>
</table>
buys, but it could be a lot more if he had a bentgrass golf course.

While the products, formulations and results might be similar between branded and generic products, the service might not be.

Post-patent formulators don’t have the research and technical expertise typically found with larger chemical developers, sources say. That means if you’re accustomed to lobbing a call into a company for guidance or diagnostic assistance, you’re probably not going to get that type of service from generic suppliers.

“The brands are definitely better with service,” says Eric J. Feldhusen, superintendent of Persimmon Country Club in Gresham, Ore. “You can get a hold of company reps. If I’m dealing with disease on my greens, it’s worth the extra price.”

So most superintendents hedge their bets by purchasing their generic products through trusted and reputable distributors. It was a saving grace for Tollefson a few years ago.

“We’ve only been burned one time,” he says. “After several years of using the product, we think they did a different formulation. We ended up having the distributor take the product back, but it’s the only time in 13 years. I don’t know how good of support we would have had from the company that actually made the product, but if you have a good distributor, it shouldn’t be a problem.”

But large chemical companies with branded products give more than just product guarantees and help with disease diagnosis. They also offer continuing education opportunities via product training seminars and sponsorships of professional association meetings. They’re also the only ones conducting research and development, which helps build the foundation for future turfgrass maintenance programs.

So there is some concern among superintendents that widespread adoption of post-patent chemicals could force longstanding sponsors to moderate their industry support.

“It really comes down to three different areas when I’m evaluating between generic and branded,” Gray says. “No. 1: effectiveness of the chemical. Am I going to get the same amount of coverage and protection with a generic that I normally get with a branded product? No. 2 is price. And No. 3 is support, which is kind

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of sticky because it has to do with not only my support if I have a problem here, but also industry support.

"If everyone goes to the generics, then the companies who traditionally have supported the industry are going to need to back off of that," Gray says. "So there could be some far-reaching effects. It makes you think when you are making a purchase about the effects to the overall industry. Some people don't see those far-reaching effects, and some only see the far-reaching effects."

But could those far-reaching effects be academic in an era of smaller budgets and heightened expectations for golf course conditions?

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- ERIC J. FELDHEUSEN

Not all superintendents can give all the issues the same weight when considering which products to buy.

"The industry support is an issue," Terrell says. "Unfortunately, I'm in a situation where I need to do my job as cheap as I can, and that's the main reason we switched."