

THE FIRST 100 YEARS ARE THE HARDEST

This has been our 100th Anniversary Year, and WOW, what a year! A company is entitled to a few fireworks when it reaches the century mark and we've had them. As a financial analyst wrote in a recent report on Scotts and I quote, "A poor economy, adverse weather conditions and a misunderstanding about the ecological effects of Scotts products are a tough combination to overcome. All three problems hit Scotts in 1970."

This is the year when a woman wrote us a letter which said, "Your promotion of indiscriminate use of weed killers must end," and a man wrote us and said, "I find your disregard for the long-range effects of herbicides inconsistent with the honesty you display in other business areas."

This was the year when a story was released in Washington that ran in newspapers all over the country to the effect that 2,4,5-T was about to be banned and listed some Scott products that contain this chemical. As a result, we had to wire all our dealers and tell them this absolutely wasn't true. Scotts products do not contain 2,4,5-T.

This was the year when our nation learned a new word - "ecology" and discovered that it had something called an environment.

This was the year when all of us had to search our consciences to see just where we stood on this whole question of life and breath.

Well, where do we stand?

Right at that point is one of the advantages of being 100 years old. When you live that long, you have time to work out some general principles.

In the last century, O. M. Scott started a seed company because he saw a way of serving the consumer better than he was then being served, and from that day to this, we have never departed from the notion that if we put service to the consumer first in all our calculations, we would be able to stay in business and make a profit.

As a result, we long ago determined that we would never market any product, which in recommended usage, might be a health hazard to the user, his family or his pets. We have never sold a product that requires a mandatory poison label. We have never sold a product that requires the official warning label. And long ago we chose to make Scott lawn products only in granular form rather than in the form of liquids or dust which are more difficult to control. It is interesting to note many opinion formers are just now starting to extol the virtues of dry granular lawn products.

Very well, but what about Mercury; what about Chlordane? Mercury has been indicted as a material that should never be allowed to find its way into our streams, rivers and lakes. But what most people don't know and haven't been told is that there are two totally different forms of Mercury. Dr. Leonard J. Goldwater, this country's leading authority on Mercury, now at the University of North Carolina, explains the difference. He says, "Mercury is an element that is greatly misunderstood. There are inorganic forms and organic forms. There are different compounds of each. The Mercury compound, which was banned recently, is Methyl-Mercury. It is highly toxic, but the compound Phenyl-Mercury used in Scotts products shows no toxicity to man. I do not feel it deserves such a fate." Unquote.

What about Chlordane in Cope? As far as we know, there is not a shred of evidence that when used in Scotts formulations, it presents any remote danger to health or poses any threat to wildlife or endangers the environment. Any time that such evidence is produced, we shall throw out Chlordane. Meanwhile, there is no other reasonable substitute known to us that can enable the consumer to combat grubs so effectively.

Is the government likely to ban any of the chemicals that we use? The truth is, I haven't the slightest idea. Nobody does. As you may have suspected, the decisions of government departments are not based solely on factual evidence. Those in charge are subject to all kinds of pressure, and it is impossible to predict what judgements might be arrived at, wise or unwise.

Meanwhile research must continue relentlessly. Consumers need, and are entitled to, ever better products. Scotts intends to remain the leader in introducing them.

Yes, it's been quite a year. We've had a few things heaved at us but thank heaven, only a few of them were brick bats. Most of them were bouquets. Fortunately, there are two sides to this environmental question. So far we have been looking on the darker side, so now let's look at the other side.

This was the year when we ran a little ad headed "The Respirator" in four small circulation magazines, and from all over the country, we got requests for 75,000 reprints. In addition, we mailed out over 1,000 poster-size blowups of the ads that went to hundreds of schools where they were pinned

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up in classrooms and on bulletin boards. Many of them were used prominently on April 22, which you will remember was "Earth Day."

This was the year when a woman in Pittsburgh wrote, "How thrilling to know that one can take up arms with a single blade of grass in the fight against pollution."

And another woman in Fayetteville, N. Y. wrote, "If reprints are available, I would love to distribute them throughout our school system and to several community buildings."

And a woman in Hinsdale, Illinois wrote, "Quite obviously your message is not common knowledge, and in view of our nation's plight, ecologically, it should be. If the lowly little blade of grass could do all of that, surely we should be capable of overcoming disaster."

A school teacher in Dayton, Ohio said, "As a high school teacher, I was delighted to see your ad because it is the type of appeal that will register with my students."

A man in Tampa, Florida commented, "Beyond all doubt, the most effective, intelligent, and provocative advertisement I have seen for the man who asks 'What can I do' about pollution?"

Even Scotts retailers reacted spontaneously, such as the Naples, Florida garden center owner who wrote, "We saw your ad in The Atlantic magazine, clipped it out, bought a frame and hung it near the entrance." I could go on and on quoting from letters that have literally poured into Marysville.

This has been the year when companies of all kinds have been under fire. Not only oil companies and auto manufacturers, but insurance companies, and telephone companies; even the makers of breakfast foods, and of course, the publishers of newspapers. The brick bats have been flying in all directions.

Now, think for a moment how fortunate we are. We are one of the very few companies in this country that is actually engaged, day in and day out, year after year in promoting a better, a greener and more beautiful America.

Every man or woman who plants grass or maintains a lawn is making a vital contribution to the environment. Every person who increases the natural greenery on earth is doing a service to himself and to all of us, and it is Scotts' mission, your mission and mine to help that person to achieve success and satisfaction. It is a mission in which we can all take the greatest pride.

And as far as the future is concerned, I think you will agree that we have a great deal going for us. The nation's interest in its environment is not a passing whim as some have suggested. As the population increases, so must our concern for the cultivation and protection of natural greenery.

The movement of people from the cities to the suburbs, as revealed in the latest census figures, will go on. Today for the first time in our history, there are more people living in the suburbs than in the cities.

A new housing boom is coming. It has to come. It may be next year or the year after or the year after that, but it has to come and when it comes, it will mean thousands of new lawns. Because no matter how many

apartment houses and condominiums there are, a great majority of Americans will continue to want to have their own piece of good, green earth. And, as we know, first and second-year homeowners are our very best prospects. From the environmental point of view, the inescapable fact is that the increasing population and home-building means more roads, more schools and stores, more cement being poured over what was natural and ecologically useful. Green lawns are one of the very few positive actions that can be taken by society - and by the individual family - to ADD BACK.

There is every indication that the length of the work week will continue to get shorter. We have seen the six-day week become the five-day week; the four-day week may not be far off and every increase in leisure gives people more time to improve their lawns.

When you look at the list of American companies that are 100 years old, you'll find that it isn't very long. We centenarians are the cream of the crop. Scotts has survived and succeeded because it happens to be an enduring kind of business and because it has had the wit or good luck or the common sense to put service to the consumer as its primary objective.

In its first 100 years, this policy has made Scotts first in lawns. Now we face our second 100 years with confidence and enthusiasm and we propose to maintain that same policy.

I hope you'll agree with me that, overall, the long range outlook appears most favorable for our activities. The immediate concern, however, is short range; namely, 1971. Our goal is simple: pick up the momentum of growth that had been our pace for the preceding 5 years. The factors that slowed us down in 1970 are not likely to re-occur in 1971.

Most everyone expects the modest upturn in the economy we are currently feeling, to continue through the balance of this year and to accelerate in 1971.

Extreme weather patterns don't often come in back-to-back years, so it's reasonable to expect that 1971 weather will be more favorable than 1970. Even so, we have some promotional plans designed to checkmate adverse weather, as you will soon learn; 1971 is destined to become known as the year of the Super EarlyBird.

On the environmental front, there is every indication that initial hysterias and "shooting from the hip" actions have been replaced by more moderate and intelligent debates and investigations. Environmental concern 1971 gives us a unique opportunity. We're one of the very few companies that can provide a way for the individual to do something positive about his concern for his surroundings.

Above all else, however, we should have a single-track purpose for the next six months. That purpose is to make the 1971 EarlyBird Program successful beyond our wildest imaginations. We know from six years' experience that a strong start means a strong finish. You have case histories to support this, the dealers who have gotten on the EarlyBird bandwagon and seen their sales multiply. An early start with the EarlyBird, and that little extra effort, will mean a good year for you, a good year for Scotts, and a good year for retailers. I know you will make that goal a reality.