In the Know

LEGALLY SPEAKING

Brickman completes recapitalization

GAITHERSBURG, MD — The Brickman Group closed on a recapitalization of the company on January 23. Brickman is the largest landscape maintenance company in the United States, approaching annual revenues of $500 million.

The transaction was undertaken to provide an exit strategy for CIVC Partners, Brickman’s private equity partner since 1998, and to refinance Brickman’s public bonds. The recapitalization gives the company more favorable private debt, said the company.

The family will continue to run the business, says Scott Brickman, CEO and president. “Nine years is a long time to be partners with a private equity group like CIVC,” Scott Brickman, CEO and president of the company, told Landscape Management. The relationship lasted so long because both partners — Brickman and CIVC, based in Chicago — had established an excellent relationship, he said.

To facilitate the recent recapitalization, Brickman brought in Los Angeles-based Leonard Green & Partners, a new private equity partner. “We went through an exhaustive process to find a new partner like CIVC who shared our values and we are thrilled to have selected Leonard Green,” said Brickman.

After the transaction Leonard Green will own slightly less than 50% of the equity leaving the Brickman family, management and existing stockholders with a majority interest.

“This transaction will not have any effect on Brickman’s leadership, operations or strategic plans,” stressed Brickman. “Following this transaction, nothing will change with regards to our operations or the direction of our business in any way. I, along with the leadership here at the company, will continue to run the company as we have for many years pursuing our vision of building strong teams, which provide outstanding quality and service to our customers.”

EPA revises pesticide applicator rules

WASHINGTON, D.C. — The U.S. Environmental Protection Agency (EPA) has begun developing revisions to federal pesticide applicator certification and training regulations. First enacted in the mid-1970s, the rules have changed little over the last 30-plus years and now practically every state’s pesticide application certification and training requirements exceed the federal standard.

EPA last year issued discussion papers touching on the issues that a proposal updating the federal certification and training regulation would address including: expanding the scope of the regulation to cover the use of general use products by commercial applicators and not-for-hire applicators; setting a competency gauge for commercial applicators and other occupational users of pesticides; standardizing requirements; revisioning the definition of “under the direct supervision;” establishing a minimum age for pesticide applicators; and modifying recertification requirements.

EPA officials stated in November that a proposed rule would likely be issued in December of 2008. Sometime this year the EPA is expected to update discussion papers and will use the feedback it receives on those documents to begin drafting the rule.