

THE WORLD OF SUPPLIER BUSINESS '97

Let's consider 1997 the year of the partnership. Through company mergers and long-term, exclusive arrangements, the big iron and chemical companies are aiming to expand their services while attempting to snuggle in tighter with their long-standing customer base.

The face of the golf course supplier business has a softer, more understanding smile plastered across it. Big business senses the need to become more intimate, more human. No longer will your favorite mower supplier just be your mower supplier. That mower supplier got to know you a little better this year and will be bundling services that you wouldn't expect to find from "just" a mower supplier.

We saw a golf car supplier jump into a tour sponsorship, two arch enemies in the chemical world buddy up, and more recently, we saw the number two iron supplier buy number four.

1998? Well, that's anybody's guess. It's a little too early to tell what the Textron acquisition of Ransomes could mean to the industry at large. So far, industry watchdogs can only speculate; but consider the powerful position Jacobsen will-find itself in if it chooses to fold the best of Ransomes under the Jake umbrella. Stay tuned.

-Michael Levans

One-stop equipment deals on rise

GCN SEPTEMBER

BEST OF SUPPLIER BUSINESS '97

By MICHAEL LEVANS

BLOOMINGTON, Minn. - As the industry sees more courses gathering under management umbrellas, the number of exclusive provider deals between management companies and manufacturers - including equipment, equipment maintenance and ancillary services - appears to be following suit.

In the past month, both the Toro Co. and Ransomes America Corp. have added substantial new agreements to their growing list of exclusive arrangements.

Toro cut a five-year deal with Whitbread/ Marriott Hotels to be exclusive provider of turf equipment and maintenance for Whitbread's eight existing courses and two currently in development. Ransomes will be the exclusive manufacturer and maintainer for the eight courses under the watchful eye

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GCN APRIL

PGA Tour, Deere ink 3-prong deal

By HAL PHILLIPS

MOLINE, Ill — In a deal that impacts three distinct segments of the golf industry, John Deere has reached an unprecedented nineyear agreement with the PGA Tour to provide turf equipment to the Tournament Players Club (TPC) network of courses, assume title sponsorship of the Quad City Classic and provide 385 acres for a new TPC course development here.

The nine-year partnership — comprising three consecutive 3-year leases - was an-Continued on page 42

GCN MARCH

Heritage introduced in Las Vegas

By MARK LESLIE

LAS VEGAS - The federal Environmental Protection Agency (EPA) has expedited registration of the first fungicide ever approved in its "reduced-risk pesticide" category — the broad-spectrum azoxystrobin, which represents a new and different class of chemistry.



"We are extremely excited," said Keelan Pulliam, business director of Zeneca Professional Products which, he said, mandated for azoxystrobin "the most extensive research in turf, ever - both by universities and companies.

"We are committed, with research and development, to support this market [turfgrass]," Zeneca President Robert Woods said at a press conference at the International Golf Course Conference and Show here announcing the new product, which is being marketed as Heritage. "It has significant importance to Zeneca as we move forward." Scotts and Zeneca will distribute Heritage.

Developed from natural compounds found in certain species of wood-decaying mushrooms, it has activity against plant pathogens from all four major fungal groups, Continued on page 41

GCN FEBRUARY



NEW PRODUCT OF THE YEAR: THE DRAGONFLY

Solo cart leads British invasion By MARK LESLIE

CARMEL, Calif. - When Englishman John Tullis began to lose the mobility in his legs from illness, he didn't quit golf. Along with business partner Tony Brown, he put on his inventor's cap. The result: A one-man golf car designed to speed up play, defy worries about soil compaction and, for the physically challenged, make golf a viable recreation.

'Suddenly the cart is starting to move [in sales]," said Tullis from the Surrey, England, headquarters of his firm, CF Leisure Mobility Ltd., or A La Carts. "For years, we've been batting our heads against the traditional Continued on page 42

GCN FEBRUARY

FTC gives blessing to Ciba, Sandoz merger

WASHINGTON, D.C. -- The United States Federal Trade Commission (FTC) has cleared the creation of Novartis through the merger of Ciba and Sandoz.

Though the merger was first announced back in March of 1996, Novartis Crop Protection, Inc., was not formed until Jan. 1, 1997.

And the timing couldn't be better, as the new Novartis operation will conduct a week-long coming out party at the Golf Course Superintendents

Association of America show in Las Vegas, Feb. 6-12. So said Gene Hintze, formerly of Sandoz and now the head of Novartis Turf & Ornamental.

"For right now, you can call me director of Novartis Turf & Ornamental," said Hintze, who relocated to Novartis' North Carolina office. "In Las Vegas, we plan on hosting a media reception, Sunday evening the 9th of February. We will have a joint presence on the floor. A brand new Novartis booth. Distributor meetings you name it.'

GCN FEBRUARY

RohMid partnership a work in progress

By HAL PHILLIPS

PHILADELPHIA, Pa. - It's been nearly six months since American Cyanamid Co. and Rohm & Haas Co. formed RohMid L.L.C., a marketing and sales joint venture charged with developing, registering and commercializing a new insecticide, RH-0345.

The eagerly awaited product has a name, Mach II, and RohMid officials seem confident the federal Environmental Protection Agency (EPA) will register the product this year.

Yet the fate of grubs and soil-borne pests — the targets of Mach II — have taken something of a back seat, as observers of the turf and ornamental industry gauge the success of this unprecedented partnership. In a time of unmatched competition, mergers and acquisitions among multinational chemi-Continued on page 41

PGA, Deere

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nounced at an April 2 news conference at Deere's world headquarters.

Other golf industry corporations have associated themselves with professional tour events, including The Scott Company's sponsorship of The Tradition, a Senior PGA Tour stop. However, the Deere deal goes several steps further. Indeed, it's one of the longest sponsorship agreement ever entered into by the PGA Tour.

"It's a fantastic deal," said Clair Peterson, Deere's manager of advertising and promotion for Golf & Turf Products. "Obviously, the Tour was interested in stabilizing the PGA Tour event that's been played in the Quad Cities for 26 years. But it was really a result of both parties meeting objectives. We've been a presenting sponsor of the Quad City Classic for two years. The PGA Tour was looking for a title sponsor. We challenged each other to see what else we could achieve."

Most important to Deere's Golf & Turf Products Division is the maintenance component, which makes the Moline, Ill.-based company the official golf course equipment supplier to the PGA Tour's 15 owned and operated courses. Lease financing will be provided by John Deere Credit.

"I don't think people know a great deal about leasing equipment," said Peterson. "Our leasing plan allows the TPC courses, as it allows any course, to stay current. With leasing, you no longer have a graveyard of old equipment that has outlived its use. After four years, it becomes very expensive to properly maintain equipment. Leasing really fits in with the industry trend towards containing maintenance costs."

Cal Roth, director of golf course maintenance operations for the PGA Tour's TPC courses, said he sees definite advantages to leasing arrangements like the one outlined in the new agreement. "You're upgrading to new technology," said Roth. "I think that's one of the key advantages. There is also some savings in operational costs if you're managing a fleet on a threeyear basis. You're not going to get the larger expenses for repairs."

Roth said TPC golf course maintenance crews have historically used mostly Jacobsen machinery. The new agreement between Deere, the PGA Tour and the Quad City Classic changes that.

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Dragonfly Continued from page 39

'no-carts' attitude. Gradually it's getting through to management and committees that everybody is getting older. We all have hips and hearts and knees, and why should an elderly member suddenly not be able to play the game any more?"

Tullis and Brown, who have been manufacturing three-wheel golf carts that can be folded up and carried in an automobile, invented the Plytronics one-man machine a year and a half ago, and last year introduced it to the marketplace in the United Kingdom.

They have struck a deal with American entrepreneur John Killip of Carmel, Calif., to market the car under the name Dragonfly in the United States. The unit became available in the United States in a limited quantity in December. Killip has established Houston as the American manufacturing cen-

ter, although his Uni-Car/U.S. office is located at P.O. Box 22798 here.

Plans to market it in other regions of the world have also taken off. Plytronics already are selling the unit in Australia, Belgium and Switzerland. Distributors are under contract in Norway and Denmark and negotiations are underway with others in Germany, Holland, Spain and Portugal.

With a 30-to-1 gear ratio, twin electric gear boxes and a 48-volt solid-state battery, the Dragonfly travels 8 miles per hour and has the power to glide up steep inclines.

One-stop shop

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of Myrtle Beach National Co.

Toro already has agreements on the books with Canadian Pacific Hotel Group and Valderrama, the home of this month's Ryder Cup matches. For Ransomes, Myrtle Beach is its fifth contract.

From an administrative standpoint, the deals seem to make sense. From the management side, companies get a total package which helps cash flow and the company's yearly budgeting process. From the manufacturer's side, the company can easily track equipment maintenance records, allowing the equipment maker to take a piece of equipment back and keep it in circulation with more confidence.

Outside the financial benefits, the deals create "a mutually beneficial comfort level" between the two parties, said Peter Whurr, director of marketing at Ransomes. "When you put a deal together, the customer benefits because he knows he now has a direct route into the company. It's more of a business partnership, even though he's still the customer. We can now say, 'If you want some help, just call us.' "

"It allows us to put together a total package," said Don Masini, managing director of international sales at Toro. "Following that, it's easier for us to follow up and keep in contact with the customer in order to meet all their needs," Masini said.

According to Masini, the exclusive provider deal was an American concept that is growing, and will continue to snowball, overseas, where management group ownership is skyrocketing.

"Outside the U.S., there're aren't that many that are pay and play. So funding is getting more difficult," said Masini. "If you don't have the funds then you can't improve the golf course, and the members don't want to increase the dues they're paying."

