

Off The Fringe

Business briefs

Lesco admits violations

Cleveland-based Lesco announced that it has unexpectedly experienced "further deterioration in economic conditions" and is in violation of certain covenants as a result of the weaker-than-expected operating results.

"The third quarter of 2001 has been very difficult," said William A. Foley, Lesco's chairman, president and CEO. "We've been impacted by the declining economy. The environment in our industry has been especially fierce as competitors have fought for every piece of business."

Lesco's third-quarter sales of \$144.1 million increased 3.2 percent compared with the third quarter of 2000. However, net income was down to \$0.3 million from \$4.2 million.

Earlier this year, Lesco said it was optimistic that full-year 2001 earnings would exceed earnings in 2000 in anticipation of improved second-half results. Now the company believes that full year 2001 results will fall well short of 2000 levels. Lesco acknowledged it's in violation of a certain covenant with lenders. At press time, the company said it's in discussions with these lenders to obtain amendments or waivers of the covenants.

In other company news, Lesco is launching a new initiative to expand distribution of its products into geographic markets not served by its 228 Lesco Service Centers and Lesco Stores-on-Wheels. The company has formed an independent marketer program designed to allow its proprietary products to be sold in select markets by non-traditional Lesco-owned locations. With the new initiative, Lesco says it has identified an opportunity to establish independent marketing arrangements for its agronomic and

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Paint the Mowers Orange

TEXTRON GOLF ADOPTS COLOR TO UNIFY ITS BRANDS;
DISCONTINUES RANSOMES NAME IN UNITED STATES

The only thing missing was a case of Orange Crush to toast Textron Golf, Turf & Specialty Products' new business philosophy. On Oct. 26, Charlotte, N.C.-based Textron Golf held a press conference at the posh Bay Hill Club in Orlando, Fla., to announce a new strategic plan for its business. Orange banners with the names of Textron's brands draped from the ceiling with the saying, "Think Orange: The Primary Color of Golf." Florida oranges accompanied notepads and pencils for reporters on press row.

Textron's golf and turf brass were on hand to announce the company was adopting orange as its new flagship color to "visually unify" the company's golf equipment line. Textron has marketed its four major brands (Jacobsen, Cushman, Ransomes and Ryan) in various brand-identity colors since 1998.

The big news behind the orange, however, was that Textron was dumping the Ransomes brand name in the United States. Executive Vice President David Rivers said company research revealed that three times more superintendents would consider a Ransomes product if it were branded a Jacobsen. That's all the news Textron needed to paint selected Ransomes mowers orange and brand them Jacobsen. Now, all mowers will be



RON HALL

Textron Golf's Peter Whurr gives his take on a new Jake.

branded Jacobsen — something superintendents were undoubtedly clamoring for.

"Color can be a very powerful marketing tool," Rivers said. "By uniting our golf brands under the orange banner, we strengthen them by affiliation, without diminishing their individual leadership in their categories."

Cushman turf vehicles and Ryan aerators and seeders will also wear Jacobsen orange for sales to the golf market in the Americas and the Asia-Pacific region. Textron leaders say powerful brands are integral to its new strategic direction.

"This new strategy will strengthen the family identity of our products in

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equipment product lines throughout the United States in more than 500 geographic markets. Under the program, independent marketers have access to all Lesco products.

Royster Clark ends effort to acquire Agro South, ProSource One

New York-based Royster-Clark announced that efforts to acquire Agro South and ProSource One from Agrilience LLC have been terminated. Agro Distribution LLC, a wholly owned subsidiary of Agrilience, retains ownership and operation of Agro South and ProSource One.

DTN changes name to Meteorlogix

Minneapolis-based DTN Weather Services changed its name to Meteorlogix. The company also appointed Robert Gordon as CEO. Gordon brings more than 20 years of experience leading emerging growth technology-based companies to Meteorlogix.

USGA commits \$2 million to golf associations

The United States Golf Association committed more than \$2 million in 2002 for assistance to state and regional golf associations and their programs. Nearly \$800,000 of the total will fund computer hardware, including office and tournament administration equipment for associations; education initiatives, including computer training sessions (and grants for an on-site computer assistant); and a USGA orientation session for staff members from state and regional golf associations, scheduled for Jan. 11-16 at the USGA headquarters in Far Hills, N.J.

In addition, more than \$1.3 million in grants will assist associations through the P.J. Boatwright Jr. Internship Program, which funds nearly 100 interns who work at various state and regional golf associations for three to 12 months.

Becker acquires RhizUp

Ames, Iowa-based Becker Underwood, manufacturer of Rhizobium inoculants, seed coatings, specialty colorants and other bio-agronomic products, acquired the RhizUp brand of inoculants from Eco Soil Systems.

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the minds of end users in the markets we serve," said Gregory Hyland, chairman and CEO. "That's very important to our plan of forging long-term supplier relationships wherever possible."

The Ransomes brand is not being discontinued in Europe and the Asia-Pacific region. Rivers also said that parts support for Ransomes would continue in the United States. "We're keeping the engineering and manufacturing," he said. "The only thing that's going away is the Ransomes brand name in the Americas."

Some products, such as Cushman trucks, will remain available in their original color, per customer request. Cushman vehicles will be offered in green, but with new touches highlighting the family resemblance to Jacobsen and Ryan.

Golfdom Editor Larry Aylward contributed to this report.

A Regrettable First

CLUB CAR ANNOUNCES LAYOFFS FOR FIRST TIME IN 39-YEAR HISTORY

You know the economy is in a pickle if Augusta, Ga.-based Club Car is cutting back. Because of slow economic conditions in the golf and travel industries, Club Car recently announced the first personnel reduction in its 39-year history at its home office. The reduction affected 14 employees locally and 11 in branch operations.

"We regret having to take this action," said Phil Tralies, president and CEO of the Augusta-based manufacturer of transportation and utility vehicles. "Unfortunately, the severity and length of the economic downturn forced us to make the decision we wanted to avoid most."

Club Car's largest customers are golf courses and resorts that use its golf cars, hospitality and food-and-beverage vehicles. Tralies said the company recently had reduced expenses and instituted hiring restrictions in an effort to avoid reducing personnel. But things just kept getting worse.

"It's been an extremely challenging year for many of our customers, and the tragic events of Sept. 11 only made conditions more difficult for those that depend heavily on golf and travel to sustain their businesses," Tralies said. "Since Sept. 11, we've seen a number of accounts delay decisions to place orders because of the uncertainty of their business."

Club Car employs more than 1,000 people worldwide with the majority of those in the Augusta area.

Let us Explain

In our October story on themed courses ("Vegas Ain't Got Nothin' on Golf"), it should have been stated that Tour 18 Inc. sold two of its facilities to Arnold Palmer Golf Management and licensed rights to the name to APGM. A Tour 18 Inc. official also states that the only changes made to the courses as a result of legal chal-

lenges were to remove lighthouses similar to those at Harbour Town Golf Links. We regret any confusion the article may have caused.

Also, we misprinted Syngenta's Web site address in the November issue. The correct address is: syngentaprofessionalproducts.com. Sorry for the confusion.