

And now, a word from our sponsor:

**BASF  
PROFESSIONAL  
TURF™**



# Embrace the Challenge

Recently, there's been much discussion of the challenges facing the golf industry. It's true these hurdles, whether competitive, economic or regulatory in nature, can interfere with our best-laid plans. Nevertheless, they can also serve to inspire us and initiate changes that will greatly benefit the industry in the long run.

The core values that serve as our foundation at BASF lead us to embrace these challenges. We are governed by the philosophy that the world demands and rewards continuous improvement in the quality of life. The search for new ways to overcome obstacles drives us to develop new solutions that better meet the needs of our customers. Those same solutions help create a more enjoyable environment for the golfers who play your courses.

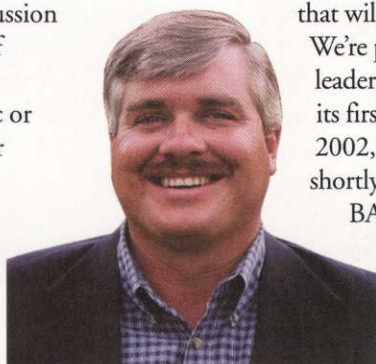
With that in mind, I'd like to share some of the strategies the Professional Turf Team at BASF is employing to meet the challenges of today and help build a dynamic and profitable future for the turf industry.

## Long-term Commitment

It's been roughly one year since BASF entered the turf market. While our tenure has been relatively short, our commitment to the industry couldn't be stronger. While other companies have divested their agricultural portfolios and invested in the development of pharmaceuticals, BASF has divested pharmaceutical holdings to free up capital and resources to commit to the specialty agricultural markets. What does that mean to you? It means BASF is a partner you can depend on for a long-term, ongoing contribution to the improvement of your industry. We realize our growth is tied to yours, and we will do everything in our power to ensure our mutual success.

## Innovation

Innovation is at the heart of everything BASF does. BASF currently holds more than 100,000 active patents, and currently has five new compounds for the specialty markets



**Bill Baxter**  
*Business Manager,  
Turf, Ornamental and Pest Control  
BASF Corp., Specialty Products  
Department*

that will be available within the next five years. We're particularly excited that BASF, the global leader in fungicide technology, is set to launch its first fungicide specifically for turf early in 2002, with two more new fungicides to follow shortly. Moreover, that's only the beginning.

BASF has spent billions of dollars on research and development over the past few years, including \$1.5 billion in 2000. That's a sizable investment in your future, as well as our own.

## People Power

The challenge of finding and retaining the best people is universal. At BASF, we've built a creative and innovative work environment where all 100,000

employees are "key employees." From researchers who develop new compounds to the sales representatives in the field, everyone is part of the team responsible for providing you with the tools to succeed.

## Adding Value Through Customer Focus

The companies that thrive in challenging times understand what customers need and provide them with customer-specific solutions. Leadership organizations are able *and* willing to change to meet customer needs, so tell us what you need. Then tell us what you want. With BASF, you can be sure we'll not only listen when you talk, but we'll respond with the best available solution. Because, to paraphrase our corporate slogan at BASF: We don't make the turf, we make it better.

## Embrace the Challenge

I've talked a lot about challenges, and now I'd like to issue one. I'd like to challenge you to join us at BASF in our commitment to the growth — not merely the maintenance — of the golf industry. Take a leadership role in identifying potential industry improvements, and then aggressively treat those needs as opportunities to serve your customers. I promise you that's how we at BASF will treat you as customers. If you'll join us in making that commitment, this industry is certain to thrive.