Off The Fringe

It's a Great Time to be an Independent Distributor

A Commentary by Frans Jager

or the last 10 years, prognosticators have predicted the death of independent distributors in the golf industry. First the Internet was supposed to replace them. Then basic manufacturers were supposed to sell directly to superintendents. The debate surely left some superintendents wondering where they would be buying their products from next.

This is no small concern for them. The independent distributors network often offers superintendents genuine partners in their efforts to provide optimum golf course conditions. When there's an outbreak of disease and superintendents need a case of fungicide delivered first thing the next morning, an independent distributor is often the one who can make that happen. If independent distributors disappeared from the scene, many superintendents fear they would lose a valuable resource.

I'm here to tell superintendents to stop worrying about the disappearance of the independent distributor because it hasn't happened yet — and it isn't likely to happen in the near future.

In fact, it's a great time to be an independent distributor. It's my contention that we are in the midst of an inexorable shift in the balance of power in our industry from the manufacturer to the distributor. Not long ago, superintendents could only buy chemicals from one of the basic manufacturers. Today we see the number of supply sources for our business multiplying, driven by globalization and the huge U.S. market (compared to the turf and ornamental market in the rest of the world). That means more options and lower prices for superintendents. It also forces basic manufacturers to reach out to those in closest contact with the superintendents — in other words, independent distributors.

It's a good time to be independent because the shift brings the inherent strengths of independent distributors to the fore, including all of the things superintendents value so highly in their current relationships:

- customer intimacy;
- customer service;
- cost control;
- stability in front of the customer;
- unequivocal dedication to end-users only;
- local knowledge;
- flat organizations;
- personal and accountable ownership on site; and
- rapid decision-making.

I say to my fellow independents: You know the customer, and the customer knows you and trusts you. You control access to the end-user. As long as you don't give away the keys to the kingdom, you are in the driver's seat. So I urge all the independent distributors out there to take heart and revel in their independence because it's a great time to be in that side of the business.

And superintendents can breathe a little easier. The distribution channels you've relied upon for years will be around for a long time to come.

Jager is the CEO of Primera Turf, a purchasing cooperative for independently owned companies engaged in distribution and resale of products in the professional turf, horticulture and landscape industries.

Quotable

"With another four years of the Bush Administration, the pesticide industry can rest assured that no monumental changes will occur.."

— Allen James, president of the Responsible Industry for a Sound Environment (RISE)

"I don't know. I'm not one for stats, not one to keep records. I just feel it's been an incredible year for me. These wins, I just haven't really sat down and really thought about it, what I've done. I have not enjoyed it yet. ... I'll only enjoy it when the season is over."

— Vijay Singh, after winning the Chrysler Championship, his ninth win of the 2004 season. Singh is the first player in PGA Tour history to win more than \$10 million in a season. (The Wire)

"I have what they call parrot knowledge. I repeat a lot of things I've been told."

— Shawn Emerson, director of agronomy for the Golf Club at Desert Mountain in Scottsdale, Ariz.

