

Bio Grounds Keeper, Sustane join forces

BLOOMINGTON, MINN.—Bio Grounds Keeper, Inc. and Sustane Corporation have signed a definitive letter of intent to merge the two companies.

The new company, Sustane Corporation, will be one of the largest producers of organic and biological products for the lawn, garden, turf and agricultural industries. Corporate headquarters will be in Bloomington.

David Henderson, managing general partner of Founding Partners II, a Minneapolis venture capital fund participating in the financing arrangements, will become president and chief executive officer of the merged company.

Craig Holden, president, founder of Sustane in 1987, will serve as executive vice president and chief operations officer.

The new company will be one of the largest makers of organic and biological products for lawn, garden, turf and agricultural use.

Thomas Duffey, president of Bio Grounds Keeper, will serve as executive vice president of sales, marketing and administration.

Bio Grounds Keeper develops and markets organic, biologically-based products for the lawn and turf industries. Its liquid

and dry thatch-reducing products are marketed and distributed internationally and in the U.S. under the Bio Grounds Keeper label.

Sustane Corporation manufactures and markets organic fertilizers made from composted turkey litter for the agricultural and turf industries.

"Organic lawn and turf products have shown steady growth during the past five years," says Duffey, "and we expect that growth to continue due to the proven performance of organic and biological products and increased environmental awareness. This merger will allow us to combine and strengthen our new product research and development programs, as well as our sales, marketing and distribution of natural products."

Crop Genetics to market Spod-X in U.S., Europe

Naturally-occurring insect virus controls beet armyworm, a highly-destructive greenhouse pest.

COLUMBIA, Md.—Crop Genetics International (CGI) of Columbia, Md., recently entered into an agreement with Brinkman B.V., in The Netherlands, for exclusive marketing rights to Spod-X, CGI's first environmentally-compatible pesticide.

CGI will market the product in The Netherlands, Germany and Belgium.

CGI and Brinkman also announced the companies had purchased the rights to a Spod-X registration application with the Dutch environmental regulatory agency.

Spod-X is the first of a series of insect virus products to be produced by CGI's InStar division, says Dr. James Davis, head of research and development at CGI.

Spod-X is a naturally-occurring insect

Spod-X is expected to control armyworms now immune to conventional chemical control.

virus which controls the beet armyworm, a highly destructive pest of greenhouse ornamentals, such as chrysanthemums and roses. According to CGI, the pest has become immune to currently available synthetic pesticides.

In early June, CGI received permission from the Environmental Protection Agency to sell Spod-X in the U.S. It had been working with the DuPont Company to develop and market insecticidal virus products, including Spod-X. Under the DuPont/CGI alliance, CGI will market the bioinsecticides through local distributors for certain markets such as greenhouses in The Netherlands. Joe Kelly, president of CGI, says he is looking forward to more marketing arrangements in the U.S. and Europe.

DuPont currently provides Crop Genetics with funding to develop production and purification methods that permit large scale manufacture of insecticidal products at competitive prices. The company has already pledged \$3.75 million for the development of InStar products.

Crop Genetics has leased a newly-renovated production facility that will also serve as company headquarters. Test marketing plans are being prepared, and the first sales of Spod-X are anticipated to be early next year.



The beet armyworm, after a run-in with Spod-X.

Photo courtesy CGI

Spod-X has shown good control of beet armyworms in field trials, according to Dr. Faith Zwick, project manager for insecticidal virus products at DuPont.

"We believe Spod-X will be a valuable tool for Integrated Pest Management programs, particularly in those areas where beet armyworms have developed some resistance to crop protection chemicals," says Zwick.

The EPA's registration is conditional, and requires CGI to complete one additional study during the next three years. According to Davis, that study will be completed soon.