

industry almanac

NEWS YOU CAN USE

Kawasaki, LESCO form alliance

GRAND RAPIDS, MI — Kawasaki Motors Corp., USA, has formed an alliance with LESCO, Inc. Through the new venture, LESCO will carry Kawasaki power products as its exclusive hand-held power equipment line in 234 LESCO Service Centers® and 75 LESCO Stores-on-Wheels® throughout the U.S. Selected LESCO locations will also inventory Kawasaki water, trash and semi-trash pumps along with four generator models, while others can special order these products.

Albizo leaves ANLA

Joel Albizo left the American Nursery & Landscape Association (ANLA) in July to join PlantAmerica, a green industry technology firm. He joined the ANLA in 1988 as director of public relations.

Griffin markets new fungicide

VALDOSTA, GA — Griffin LLC, a joint venture company of Griffin Corporation and DuPont, will market its own brand of chlorothalonil fungicide, to be sold under the trade name Concorde SST.

BASF responds to EPA study

RESEARCH TRIANGLE PARK, NC — As a result of the tolerant reassessment process conducted by the EPA under the Food Quality Protection Act (FQPA), BASF Agricultural Products has agreed to amend usage patterns for the broad-spectrum fungicide Curalan

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CLIPPINGS

ABT saga drawing to a close

LAS VEGAS, NV — The saga of the bankruptcy of AgrioBioTech Inc. (ABT) is finally coming to an end, and the U.S. turf seed industry is hoping for more stability.

The bankruptcy court, located in this desert city, sold most of ABT's grass business to a group consisting of former ABT president Kenneth Budd, Dick Olson of Proseed Marketing, Jefferson, OR, and Idaho-based J.R. Simplot Co. The price was \$24.5 million.

As of press time, it wasn't clear how the three parties would split the assets of the failed seed company, but split them they will, sources in Oregon told *Landscape Management*. The new owners reportedly began entertaining offers from other seed companies for certain varieties soon after the announcement was made, the industry source said.

The purchase price, along with the sale of most of ABT's forage business to Research Seeds Inc., should generate about \$60 million. With another \$20 million due from seed inventories and accounts receivables, the court expects to generate \$80 to \$90 million to help pay off farmers and other creditors who took big hits when ABT declared bankruptcy this past January.

David Nelson, of the Oregon Grass Seed Council, said that the resolution of the bankruptcy — along with management of ABT's inventory by experienced seed people — "will help bring stability to the industry and to the market."

ABT, with sales of less than \$1 million in 1992, went on an extended buying spree through the 1990s and bought up over 40 turf and forage seed companies, most of them family-run operations. The company grew to \$200 million in sales by 1999 but ran out of capital and declared bankruptcy this past January. The failure left behind a lot of unhappy farmers and other creditors, and lots of turf seed looking for buyers.

Ryegrass — what a bargain!

BY RON HALL/
SENIOR EDITOR

If you purchase large quantities of perennial ryegrass seed — perhaps for overseeding warm-season grasses or for establishing new lawns — you'll love this story.

Perennial ryegrass seed is a bargain this season. While not all varieties are available, it may be a long time before you will see prices this low for many other of your favorite varieties of quality ryegrass seed.

Here are some reasons why:

► the large amount of acreage planted for ryegrass turf seed in 1998. The number of acres of perennial ryegrass harvested in



Turf managers will get a ryegrass price break

Oregon rose from 137,750 acres to 186,500 acres from 1995 to 1999. Production rose from 170 million lbs. to 279 million lbs. of seeds in the same period.

► the use of the plant growth regulator

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Palisades (Primo) on production fields which increases seed yields by about 30%.

► a sizable carryover of the 1999 ryegrass crop was exacerbated by the January bankruptcy of the huge turf and forage grass consolidator AgriBioTech. Some growers who had been under contract to grow AgriBioTech varieties found their barns full of 1999 ryegrass seed as this year's harvest began. (See related article on AgriBioTech, page 16.)

New lawns, overseeding

In general, Oregon farmers have been boosting ryegrass seed production to meet the demands of the overseeding market. Golf courses in the southern United States routinely overseed perennial ryegrass into their courses for winter color and wear tolerance. The home and commercial construction boom in the 1990s also bumped up turf seed demand.

But nobody in the Willamette Valley (where most of the perennial ryegrass seed is grown) is happy with the oversupply of this one species of seed this season.

"It's definitely a buyers' market," said Phil Ward, director of the Oregon Department of Agriculture, during a June visit to the new Barenbrug warehouse/packaging facility in the Valley. "Basically, every company has carryover of perennial ryegrass. This happens about every four or five years."

Look for the seed companies and the farmers who they

contract to grow the seed to take steps, including cutting acreage, to get supply better in line with demand.

Seed crops in demand

Don't expect soft prices in other species of turf seed this season in spite of average to relatively good crops in the Pacific Northwest.

"The crop of common and proprietary bluegrass is estimated at approximately 80 to 85 million lbs.," reported Gayle Jacklin of Simplot Turf and Horticulture, headquartered in Post Falls, ID. "Overall yields will be average to slightly above average. We are estimating carryover pounds to be the lowest on record, about 6 million lbs. Traditionally, 10 to 12 million lbs. are carried over."

Demand for Kentucky bluegrass has been high. "During November and December ('99) and extending through April and May, we experienced a movement of proprietary bluegrass like I have not seen in 20 years," said Tom Stanley, marketing director of Turf-Seed, Inc., Hubbard, OR.

Expect firm prices for turf-type tall fescue also. Because of a very dry 1999 autumn, Missouri's Ky-31 tall fescue production was estimated to be off by about a third. Shortfall will increase demand for other varieties — keeping turf-type tall fescue prices firm.

"The Ky-31 crop looks to be less than 100 million lbs. for 2000," said Stanley. "Compared with a 140-million lb. crop in 1999, the 2000 Ky-31 crop will be significantly less."

The John Deere Worldwide Commercial and Consumer Equipment Division recently celebrated the production of the first Gator® utility vehicle at the company's new \$30 million, 300,000-sq.-ft. facility located in Williamsburg, VA. Here, Lou Gomez, project manager, John Deere Vehicle Group (driver's seat) and Al Smalls, technician, display the first Gator utility vehicle for local government officials, members of the local business community and all John Deere Vehicle Group employees at a celebration marking the first production on Thursday, June 15, 2000.



Exmark launches new Web site

BEATRICE, NE — Exmark Manufacturing Corp. joined the growing number of Green Industry companies entering cyberspace by recently launching its new Web site: www.exmark.com.

Exmark national marketing manager John Cloutier believes the site will enable his company to provide better customer service. He also hopes the company's Internet efforts will spur on dealers to take advantage of the Web.

"A key element in our Web initiative is to act as a facilitator in getting our dealer network to utilize the Internet as a sales, customer service and communications tool," he said. "Our goal is to have 100% of our dealer and distributor group with Internet and e-mail capabilities."

