

industry almanac

NEWS YOU CAN USE

Sanitors buys Russ Fragala Landscape

SAN ANTONIO, TX - Sanitors, Inc., San Antonio, TX, acquired Russ Fragala Landscape Contracting Corp., Long Island, NY. Fragala will stay on to oversee operations and assist mergers and acquisitions throughout the Long Island area.

"It's an exciting time right now," Fragala said. "Now we're going to grow this region tremendously through internal growth and acquisition."

Sanitors closed out 1999 with over \$100 million in sales.

TruGreen-LandCare acquires Scapes

ASHTON, MD - TruGreen-LandCare acquired Scapes Inc., Marietta, GA. Terms of the sale include all commercial landscape management operations, residential and commercial design/build operations, all trucks and equipment, and the transfer of 100 employees.

Environmental Industries buys STM Landscape

CALABASAS, CA - Industry giant Environmental Industries has acquired STM Landscape Services, a \$12 million landscape maintenance company based in Oakton, VA.

STM will operate under EII's landscape maintenance division, Environmental Care.

With the acquisition of STM, EII projects annual revenues in excess of \$500 million a year.

Andersons, Nu-Gro buy Scotts' U.S. and Canadian turf business

COLUMBUS, OH — In a move designed to allow it to concentrate on the consumer end of its operation, The Scotts Company sold its U.S. Professional Turf business to The Andersons and its Canadian Professional Turf business to Nu-Gro Corp.

The acquisition includes ProTurf®, Contec™ and other brand names, the distribution network, customer lists and all trademarks and copyrights associated with the professional turf market. It does not include use of the Scotts brand name or any of Scotts' consumer or professional grass seed or professional horticultural business.

Scott Todd, senior vice president for Scotts' Professional Business Group, said the sale was the result of three things:

- limited industry structure
- limited resources
- inadequate distribution strategy

"More and more golf courses are being built, so budgets are getting tighter and their ability to buy products is becoming constrained," Todd said. "Things are also constrained at the supplier level, where golf course buying groups are placing emphasis on profit margins.

"Also, we have limited resources here at Scotts," Todd added. "As demand for our consumer products grew, our golf business suffered. And last year, we switched to a distribution strategy and weren't covering the market as well as we should have. We could have solved that problem, but considering all three of these factors, it made for a difficult profit picture."

Retaining the professional horticulture and grass seed segments of its Professional Business Group is key to Scotts' biotechnology efforts of value-added seeds and plants.

For The Andersons, the acquisition puts

the firm one step closer to becoming the leader in golf course and other professional turf products in the U.S. "It complements the recent expansion of our production facilities to include a presence in the eastern and southern portions of the U.S.," says Rick Anderson, president of The Andersons. "In addition, we continue to seek an additional production site in the west and remain open to additional acquisition opportunities."

John Hill, president of Nu-Gro, said the move also supports his company's goals. "This acquisition is consistent with our stated strategy of consolidating the Canadian fertilizer market," Hill said.

LESCO realigns with eye toward future

CLEVELAND, OH - As a long-term planning strategy, LESCO has realigned its business into three separate divisions — Lawn Care, Golf and Product Supply.

The move was designed to:

- support the company's long-term growth;
- support the company's profitability strategy;
- increase the company's focus on growing shareholder value

William Foley, chairman, president and CEO, said that the reorganization will focus LESCO even more on customers and markets and was not merely done with an eye on future profit. "Focusing separate management teams on each of our business units will increase the accountability for the performance of our business and improve our response time to customers."

CLIPPINGS

Simplicity creates e-commerce network

PORT WASHINGTON, WI — Simplicity Manufacturing took one more step into the e-commerce world by allowing dealers instant access to parts availability and order status through the TradeRoute® system.

In addition to checking parts availability and order status, dealers can place orders, submit product registrations, submit warranty claims and ask about warranty status. The TradeRoute system has an immediate response capability enabling dealers to make an inquiry and get a response all in the same electronic transmission.

By linking the TradeRoute system to its existing electronic parts catalog, PartSmart, Simplicity has formed a complete business-to-business e-commerce network for its dealers.

"We've been using ARI's PartSmart electronic parts catalog software for nearly four years with great success," says Jim Wier, president of Simplicity. "Combining TradeRoute software with our PartSmart catalog gives our dealers a state-of-the-art e-commerce system that will meet their needs today and in the future."

Correction

In the January issue of LM, we reported that Rex Dixon was promoted to director of sales and marketing for The Toro Company's Irritrol Systems. Actually, Dixon is now director of sales and marketing for Weathermatic. Our apologies.

Surfin' Turf

Morton Arboretum Plant Collections Catalog

<http://www.mortonarb.org>

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The Morton Arboretum has done a tree-mendous job of providing Web junkies with information about the 41,000 plants on Arboretum grounds by creating an electronic version of its Plant Collections Catalog. Horticultural profes-

sionals can now learn more about one of the nation's premiere, private botanical institutions at the click of a mouse button.

Catalog entries include each plant's scientific and trade name, location on Arboretum grounds, geographical range and hardiness. Information detailing when, from where, and by whom a specimen was added to the collections is also listed.

LCOs focus on clients, the Internet at PLCAA meeting

TAMPA, FL — Before you go out chasing new customers, take a hard look at your current ones. If they're good and you can service them profitably, make sure you protect them.

In other words, it's often simpler and more cost effective to retain customers than to find new ones. That's why Dale Amstutz, Northern Lawns, Omaha, NB, says he directs about 60% of his company's marketing budget at his current customers.

These and other nuggets of knowledge were shared at the PLCAA's Winter Management Conference this past February.

Hot topics at this most recent conference included: the Internet's impact on the Green Industry, the purpose and importance of strategic planning and, of course, acquiring and retaining profitable customers.

Louis Kobus, Jr., Village Turf, Mt. Vernon, VA, says his best customers are the ones that have been with his firm the longest.

He looks at what he calls the "CLV" factor, the Customer Lifetime Value. It's a simple formula. Take the annual revenue the customer provides and multiply it by the number of years that customer has been with your firm.



Keynote speaker "Mr. Per," left, with LCO Vincent Tummino

throughout the U.S. Arboretum catalog users can copy, cut and paste database information using the Web browser.

"The catalog is unusual in its breadth of information," says Ed Hedborn, Arboretum plant records manager. "While some botanic gardens have the names and grounds locations of their plants on list, none, to the best of our knowledge, make readily available the depth of information that the Arboretum provides."

The catalog links to the U.S. Department of Agriculture hardiness map that gives a complete picture of climatological zones