

# NEWS+VIEWS

GREEN INDUSTRY EVENTS, TRENDS AND TIPS

## Congress extends H-2B wage rule block

Last month Congress voted to extend through March 27 the law that prevents the U.S. Department of Labor (DOL) from implementing the H-2B wage rule. It was part of a stop-gap spending measure to keep the government funded beyond the start of the fiscal year, which began Oct. 1.

Late last year, the DOL issued two rules that could hurt the H-2B guest

worker program, potentially making it unusable for members of the Green Industry. The two proposed regulations are known as the wage rule and the program rule.

The wage rule would artificially increase labor costs associated with the H-2B program to an unmanageable level, according to the Professional Landcare Network (PLANET) and other user groups.

“PLANET will continue to fight for a longer-term prohibition, but we are happy in the meantime our members will not be subject to unprecedented wage increases,” the association said.

The program rule seeks to impose new costs, burdens and complexities. It can't be implemented due to a preliminary injunction issued against it in April in Florida's Northern District. The injunction applies nationwide.

“After the legal maneuvering in the case concludes, PLANET hopes the judge will make the injunction permanent,” the association said.



## BASF to acquire Becker Underwood for \$1 billion

BASF will acquire Ames, Iowa-based Becker Underwood for \$1.02 billion. Becker Underwood is a global provider of technologies for biological seed treatment, seed treatment colors and polymers, as well as products in the areas of biological crop protection, turf and horticulture, animal nutrition and landscape colorants and coatings. Upon receiving the necessary legal approvals, the majority of Becker Underwood's business will be integrated into BASF's Crop Protection division.

“Becker Underwood has a strong position in North America,” said Markus Heldt, president of BASF's Crop Protection division. “We will continue to expand this core business as we expand globally.”

The acquisition complements the company's existing portfolio, especially in the area of seed treatments, seed coatings and biological, reports *LM's* sister magazine, *Golfdom*. “A lot of the products they've commercialized, and just recently commercialized, are of great interest because they are new to BASF,” said BASF's Nevin McDougall, senior vice president of crop protection for North America. “I think some of [Becker Underwood's] future plans toward plant health are very interesting from the standpoint of our investment in that area and the future potential we see.”

Becker Underwood, which was expected to achieve sales of \$240 million for fiscal year 2012, employs 479 people at 10 sites around the world. McDougall said BASF will take the next three months to create a plan to integrate Becker Underwood into BASF.

“The No. 1 goal of Becker Underwood and BASF is ensuring that our customers continue receiving the high-quality solutions they have come to expect from Becker Underwood,” Charlie Hale, Becker Underwood's marketing strategy and support lead, said. “Except for a few already-planned lineup tweaks, including a couple new and/or improved products, no changes in the overall Becker Underwood product lineup is currently anticipated.”



Markus Heldt, president of BASF Crop Protection

## NEW TREE SERVICE FRANCHISE LAUNCHES

A new Green Industry franchise, Monster Tree Service, launched earlier this year at the International Franchise Expo in New York, *The Inquirer* (Philadelphia) reported. The Fort Washington, Pa.-based Monster anticipates selling 150 franchise units within eight years.

The franchise fee is about \$40,000. Several territories have been awarded on the East Coast, but no franchises have opened yet.

Monster's franchise disclosure document shows that in 2011, it had more than a half million dollars in EBITDA (earnings before interest, taxes, depreciation, and amortization) on sales of \$1.46 million. Mark Elson, Monster's director of franchise development, said he's not guaranteeing that level of financial performance for potential franchisees, but that the profit opportunity is there.

“No one really owns this industry,” Elson said. “The opportunity is just phenomenal to be the household name.”

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