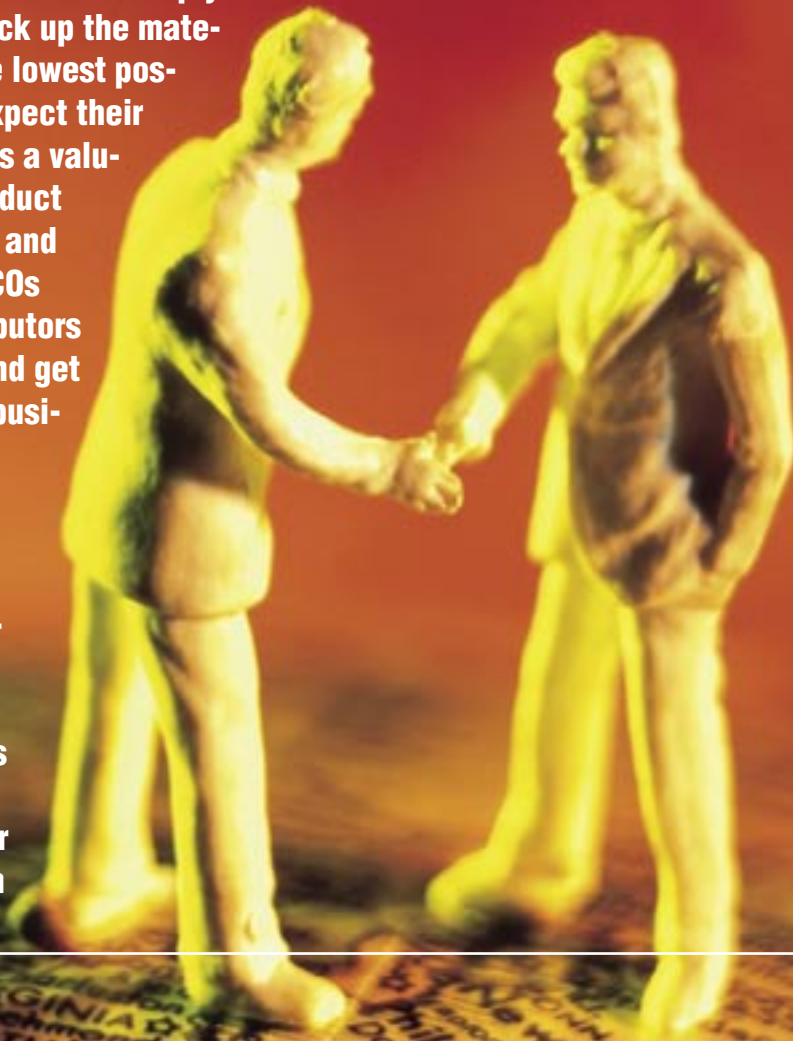


Distributor Partnerships

All lawn care operators (LCOs) depend upon their distributor for products, but not all of them get the same level of service. Some LCOs view their distributor as simply a place to buy and pick up the materials they need at the lowest possible price. Others expect their distributor to serve as a valuable resource for product information, training and technical support. LCOs who view their distributors as partners expect and get more value for their businesses.

The same holds true for the relationship between manufacturers and distributors. Distributors serve as an essential business channel, but manufacturers that partner with distributors gain important benefits.



We Don't Make The Turf.
We Make It Better.

 **BASF**

The Chemical Company

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Manufacturer-distributor partnerships matter to lawn care operators. Distributors depend upon manufacturers for much of the product information, training and technical support that they provide to their lawn care customers. So, the stronger the manufacturer-distributor partnership, the more value the distributor can deliver to the lawn care operator. Put simply, the distribution is at the center of a win-win-win relationship between the manufacturer and lawn care operator.

BASF's Market-Driven Approach

The underlying business philosophy of BASF is to be a market driven company. We are in business to serve our customers' needs, not the other way around. While it is easy to use the words "market driven," the way a company conducts its business demonstrates whether or not it is so. BASF's market-driven approach is evident in our commitment to provide lawn care operators with the quality products and support needed, whether those products are proprietary to BASF or are post-patent products. The fact is, you want quality products and support that solve your business needs. Our job is to deliver them.

Recently we did this by introducing a new proprietary chemistry, Insignia® fungicide for lawn care. We also made improvements for another BASF proprietary product, Pendulum® AquaCap™ pre-

who serve all lawn care companies in that market area.

BASF has always been dedicated to true distributor partnerships. BASF sales specialists spend all of their time and resources supporting distributor sales staff. BASF sales specialists are not solely focused on selling, instead the majority of their time is spent communicating with distributors, holding training meetings for lawn care operators at distributor locations, and visiting lawn care companies with the distributor sales representative. Most lawn care operators value working directly with their distributor sales representative. BASF prefers to do so as well.

Partnership with distributors is also a pragmatic business philosophy. There are more than 30,000 lawn care companies in the United States and Canada. No manufacturer can afford to hire enough sales people to serve all of its customers. In fact, full-service distributors combined require an estimated 800 to 1,000 sales representatives to do the job. These 800 to 1,000 individuals are the front line for industry services.

BASF's belief is that the best way to serve the 30,000 lawn care companies is by serving and empowering its distributor partners. To accomplish this BASF has an experienced and dedicated team of 16 individuals – two sales managers (one with a northern focus, one with a southern focus), two market development specialists (both with advanced degrees, and one focusing

The bottom line is that BASF must earn your business by giving its distributors the products and resources they need.

emergent herbicide. And we introduced a new post-patent product, Bifenthrin Pro insecticide. Beyond the introduction of new products, BASF supports the industry with a robust research and development program that has dedicated \$1.5 billion in agricultural products research and development in the past five years as well as several hundred million dollars in plant biotechnology efforts.

BASF's market driven business philosophy extends to its partnership with distributors. A manufacturer can work with distributors in one of three basic ways. First, it can be dedicated to a true partnership with distributors. Second, it can try to ignore distributors by selling as much directly to lawn care companies as possible. Third, it can try to combine both approaches – have its field sales staff work directly with the larger regional and national lawn care companies, then depend on distributors to reach the smaller companies.

Most manufacturers take the third approach because it gives them the most direct control of large-volume purchases. However, there are two potential problems with taking that approach: It treats distributors as subcontractors rather than partners; and it divides the manufacturer sales representative's attention – time spent with key customers must be taken away from working with the distributor sales people


on the north and one on the south), and 12 district managers, most of who have 15 to 20 years of industry experience.

Market Driven Benefits

A distributor partnership delivers a competitive advantage for BASF, its distributors and lawn care companies. The benefits of BASF's win-win-win dedicated distribution approach include the following:

- More energy – This is possible because BASF sales specialists do not directly "control" the majority of their sales in their geographies by selling directly. Instead, they depend upon their distributor sales representatives. This means the BASF sales specialist must give every distributor sales representative all the information, resources and support he or she needs to sell and service their lawn care customers. The bottom line is that BASF must earn your business by giving its distributors the products and resources they need to earn your business.
- Clearer communication – Partnering with distributors means that you get the same straight facts from BASF and your distributor. You won't hear your distributor sales representative tell you one thing about a BASF product only to hear something

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different from your BASF sales specialist. In fact, you are not likely to ever have your BASF sales specialist visit you in person unless your distributor sales representative comes along.

- True two-way communication – Spending maximum time with distributors and lawn care operators in distributor meetings helps BASF hear and respond to market needs. This communication is critical to the company's core market driven philosophy. And it delivers tangible results. For example, feedback from a distributor meeting with lawn care companies led to the creation of a new 1.5 ounce package for Drive® herbicide – a package size more in tune with the needs of lawn care operators vs. the standard one pound container.

- Consistent support – BASF provides all full-line distributors with consistent product support and training for its entire product line. If the product label has BASF on it, then BASF gives it the same level of service.

- Maximum value – BASF works with distributors to communicate special promotions based on your needs. Your BASF sales specialist communicates regularly through e-mail, telephone and in person with distributor sales representatives and distributor management to communicate all special company programs. So, if you used 10 cases of a product last year, and this spring there is a special early order promotion for that product, your BASF sales specialist and distributor sales representative will team up to make sure that you are aware of the opportunity so you can take full advantage of it.

Getting Maximum Value

Getting maximum value from your distributor begins by expect-

ing more and being willing to partner with him. Leading lawn care operators have learned to select a primary distributor – one that carries and supports all the major products they use. That distributor should be focused on providing you with real value. If the distributor is all about low price, then a lack of support and training will be the trade off. What you really want and need from your distributor is someone who understands your business and is looking out for you.

After you have selected your key distributor, then give as much of your business to them as possible. Doing so gives you the right to expect more from them in terms of training, technical support and friendly business advice, and it makes it important to them to maintain the business relationship. A partnership means being added to their mailing list, being invited to training sessions and having your distributor sales representative become familiar with your business. Your distributor sales representative might be the one to alert you to new pest, weed or disease problems in the area. He or she will let you know about new equipment and products. He or she might even be the source for the lead on the next key employee you hire. It's about a relationship that goes deeper than selling and buying products.

Lawn care operators should depend upon their distributor for at least four things:

First, to provide the products and product knowledge that you need. Distributors should stock the products, offer container options, and be able to deliver the product when needed so you can avoid warehousing it. Your distributor should be very knowledgeable about the products you need.

Second, be an expert source for product program information, such a pricing, terms, label changes and pest-product match ups. BASF relies upon its distributors for feedback about company product successes, questions or opportunities

Third, training to help you and your employees become more professional. Training can be product-specific, or involve proper application, customer relations or technical training that earns Continuing Education Units (CEU's) to maintain certification and licensing. Training is a priority for BASF sales specialists, and they have the ability to customize it for their territory.

Fourth, promote product stewardship to advance industry professionalism. The industry's reputation is only as strong as its weakest link, so distributors play a central role in helping lawn care operators apply product correctly and accurately. Much of the industry's advancement in professionalism is due to distributor training. BASF works with its distributors to help advance industry progress.

There are no secrets or shortcuts to success in business. For manufacturers, distributors and lawn care operators it's all about serving the customer's needs, communication, partnerships and meeting expectations. As a market leader, BASF is committed to serving the turf and ornamental market in a way that delivers true value and lets our business partners and their customers truly win.

Your career is too important to rely on products that are "good enough." You need **better**. And BASF delivers. Our comprehensive portfolio of products offers control of hundreds of turf diseases, weeds and insects. Control you can trust. **Better** control.

BetterSolutions.

BetterResults.

In the last five years alone, BASF has invested more than \$1.5 billion in agricultural products research and development as well as several hundred million dollars in plant biotechnology. And it shows. Test after test proves we push our products to perform **better**. That's the commitment you can count on from the world's leading chemical company.

That's the bottom line, isn't it? And that's what you'll get with BASF. **Better** turf with maximum efficiency of labor and resources. Put us in your rotation and let us prove it. You'll be **better** off.

BetterTurf.

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turffacts.com

Find a distributor:
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We Make It Better.**

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Always read and follow label directions.
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