

OPEESA'S

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“The Business of Outdoor Power Equipment”

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1) BRIGGS POSTS LOWER 2ND-QUARTER PROFIT BUT STILL BEATS WALL STREET PREDICTIONS

MILWAUKEE -- January 15 -- Engine and power tool maker Briggs & Stratton Corp. said Thursday its second-quarter earnings tumbled 21 percent on flat sales and tough comparisons to a year-ago period boosted by a one-time gain.

Briggs & Stratton earned \$3.2 million, or 6 cents per share for the period ended in December, compared with \$4.1 million, or 8 cents per share, a year ago.

The prior-year quarter's results included a \$25 million gain from the sale of an investment in preferred stock, which was partially offset by a \$12.7 million warranty expense related to a snow engine recall.

Sales totaled \$477.5 million in both periods.

Briggs & Stratton said its most recent results were boosted by a more favorable product mix, which was partially offset by higher commodity costs.

Engine sales rose 7.5 percent to \$339.3 million, mainly as a result of an 11 percent increase in engine unit shipments stemming from increased engine requirements for portable generator and snow removal equipment.

Sales of power products fell 1.9 percent to \$192 million on lower shipments of pressure washer products.

Inventories of lawn and garden products are at normal levels and its projections related to product placement for fiscal 2009 are still valid, Briggs & Stratton said.

The forecast continues to reflect the uncertainty of the upcoming spring selling season for outdoor power equipment in light of the current economic conditions, according to the company.

The company also said it expects its third-quarter results to be lower than a year ago, saying it expects major retailers to hold off in placing orders while they assess the strength of consumer demand during the spring.

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2) HAPPINESS IS A WARM SNOWBLOWER

Gwendolyn Bounds www.wsjonline.com

January 15 -- Harsh winter weather and frugal consumer spending may have cast a pall on most retail sales, but one product is proving recession-resistant: the snowblower.

Across the country, manufacturers and retailers report robust sales -- and in some cases shortages -- of the do-it-yourself machines, many of which aren't inexpensive, running from a few hundred dollars to upward of \$2,000. At Home Depot Inc., sales of the machines are up "high double digits" over last year, particularly among the heavier-duty big-ticket models.

December storms were widespread and powerful enough that Lowe's Cos. for the first time shipped truckloads of snowblowers to the state of Washington the same day it sent them to Michigan and Maine. One major manufacturer, Ariens Co. of Brillion, Wis., was hamstrung by broader economic woes when its main engine supplier halted production in mid-December; while Ariens had already increased production 25%, demand has skyrocketed 50%.

Helping spur sales: a series of intense storms during December, which moved across the western, central and northern states, breaking more than 2,000 daily snowfall records, according to the National Oceanic and Atmospheric Administration.

And while snowblower sales typically wind down by January's close, Toro Co. of Bloomington, Minn., is actually going back into production this week. That could give an end-of-winter boost to retailers such as Norfolk Power Equipment Inc. in Wrentham, Mass., which is sold out of Toros and Hondas. Likewise for Esch Power Equipment in Oak Creek, Wis., where it has been a record year with sales in the month of October four times as high as in the same month last year.

"The economy hasn't affected sales at all," says Esch President Kevin Mifflin. "Money is not an object when people want to get out of their driveway."

The resilience of the humble snowblower underscores some fundamental realities about where consumer dollars go in tight times. For starters, with the unemployment rate at a 16-year high, it's a survival tool helping people get to work on time. More and more, homeowners are doing the math and figuring a machine can pay for itself after a few bad winters using a professional plower at \$35 plus a pop. What's more, at a time when stock portfolios and jobs are riddled with uncertainty, just having a snowblower in the garage gives consumers a modicum of control over their daily destinies.

"People are tired of waiting for the plow guy to show up," says Fred Noonan, general manager for Norfolk Power Equipment. "Most consumers are on the low end of the plow list because the pros are doing parking lots where the big money is."

Jennifer Arnold and her husband, a night-shift police officer in Kenosha, Wis., bought a compact Ariens snowblower that Esch retails for \$949 at Christmastime this year. "You swallow hard to make that much of an investment," says Ms. Arnold, who is a pastor. "But my husband comes home at 6:15 a.m. and needs to get to bed, yet first he has to clear out the driveway so I can go to work. This makes it quicker than with a shovel." The Arnolds were lucky to score the Ariens unit at all; the retailer that sold them their unit, Esch, started the season with 75 and had only three by the time they made a purchase.

The snowblower -- often called a snow thrower -- also is benefiting from more user-friendly designs that have evolved in recent years. Like chainsaw makers who've courted women and those fellows not of the Paul Bunyan persuasion, snowblower manufacturers have padded their lineups with items ranging from modest electric snow shovels that plug in and hurl snow 20 feet to lightweight "single-stage" gasoline models that shoot snow upward of 1,500 lbs. per minute. Sales of the "Snow Joe" electric shovel are up 81% over last year, according to Edison, N.J.-based Snow Joe Co., which first introduced its product in 2006. And Toro recently introduced a series of "Power Clear" single-stage snowblowers with self-propel and improved anti-clogging technology.

But the surprise best-sellers of this season are the heartiest and priciest of models, known as "two-stage" because they add a fanlike impeller behind the main collection auger to help push out the snow. These styles, which can spit out more snow faster and in deeper conditions, are increasingly built more compact. They are also often tricked out with friendly electric-start functions (no yanking on a cord in sub-zero temps), heated hand-grips, headlights, power steering and cab enclosures to block the operator from the elements. Two-stage models are also best for gravel driveways because they don't typically pick up the stones.

MTD Products Inc. of Valley City, Ohio, says its Yard Machines brand has experienced "significant growth" this year in its compact two-stage machines, and says sales of snow-thrower attachments that fit onto riding lawn tractors also are selling "above expectations." Likewise MTD's Troy-Bilt brand's greatest sales increase has been with larger-sized snowblowers like its "Storm 2410." Sears Holdings Corp. is expecting strong demand through January of its Craftsman units, and has seen particularly robust demand for its middle-weight line of two-stage snowblowers.

Indeed, Ms. Arnold tried out her family's new 160-lb. Ariens two-stage compact unit recently to clear their 30-foot-long driveway and 60 feet of sidewalk. "Once my husband showed me the controls, it was very simple. I actually enjoy using it," she said.

In good or bad economic times, emotion plays a large role in snowblower buying, as it does with generators. The amount of snowfall during a previous winter, and consumers' memories of getting stuck at home or straining their backs shoveling out, often dictates the following year's purchases.

The record period on file for snowblower shipments came after back-to-back blizzards in January and February 1978 struck Ohio and the Midwest and then New England and New York City, leading to widespread havoc and death among trapped commuters. Some 2.6 million units were shipped the following two seasons following the storms, according to the Outdoor Power Equipment Institute, because manufacturers predicted nervous consumers would buy early and in droves. That's the most since the group began tracking the data in 1970.

"You hate to say you're benefiting at people's expense, but the storms and hurricanes drive product sales," says Kris Kiser, executive vice president of the institute.

Still, the typically wild gyrations of consumer spending can make inventory control tough for manufacturers. If a winter starts off unexpectedly warm and mild, that can temper people's resolutions to buy and retailers and distributors can be left holding a pile of dead inventory hogging space needed for spring's lawn mowers and tractors. Even if a late winter storm hits, people often "think they can suck it up and use a shovel," says Christine Cheng, Toro's snow marketing manager. "It's a very tricky business to predict."

This year, the stars have aligned both because of last winter's storms and a confluence of early snowfalls this year, particularly around Christmas. Around New Year's, headlines from Idaho and Washington warned of retailers selling out early of snowblower stock. Mr. Noonan at Norfolk Power Equipment says he started moving blowers in August when Massachusetts held a "sales tax holiday weekend." At Home Depot, customers began lugging units home in earnest during September and October, says Kevin Houlihan, divisional merchandise manager for the retailer. Mr. Kiser of the Outdoor Power Equipment Institute predicts this year will be a "banner year" for snowblower sales.

Snowblowers' fortunes may portend good news for spring outdoor equipment sales. As the economy worsened last fall, Home Depot's Mr. Houlihan says he heard of more people cutting back on lawn services and tending to their grass and gardens themselves. The return to the do-it-yourself spirit, which waned in more robust times, could give a needed boost to sales of bigger-ticket items like lawn mowers, weed whackers and leaf blowers.

"People have to cut their lawn, even if it's just for neighborhood peer pressure," Mr. Houlihan says. "You can go a year without updating your appliances and carpet. But everyone sees the outside of your house."

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3) IS BRIGGS & STRATTON FINALLY RACING FORWARD?

Chris Jones www.fool.com

January 20 -- Remember when pre-adolescents in go-karts were free to ramble around on suburban streets, and having a respectable lawn was among a homeowner's biggest concerns? Those were simpler times -- times I think of as the golden age of Briggs & Stratton.

Now with the housing slump lasting into another year, those good times are just a faint memory. Maybe Briggs & Stratton's small engines and power equipment are so well-built that their useful lives are too long -- reducing repeat business. Or perhaps nowadays fewer consumers are shopping for power tools at Sears, one of Briggs' larger customers.

Whatever the root cause, the company has seen its stock drop for four consecutive years and needs to regain its footing. Recent results offered a glimmer of hope. Interim earnings soundly beat expectations. Management gave full-year EPS guidance of \$0.81 to \$1.01, compared to just \$0.46 in its 2008 fiscal year. In other words, the company is telling competitors like Toro which foresee continuing earnings declines, to eat their hearts out.

Even though the high end of Briggs' estimates is still a far cry from the levels reached during its glory days, the Milwaukee-based company would probably welcome a few changes that would give it a boost. Unexpected climate change could bring harsher winters, bolstering sales in certain segments. The idea here is that people would essentially be forced to buy generators, snow removal products, and even Arctic Cat snowmobiles when they'd normally spend that money elsewhere.

Another possibility that could help Briggs in the near term might come through further government-sponsored stimulus. Still, I can't help but wonder if Briggs' golden age and the housing boom went hand in hand. Perhaps if mortgage giants like Fannie Mae and Freddie Mac had gotten their acts together, they might have found a way out of the housing debacle, giving homeowners more money to help Briggs grow its business.

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4) US GOVERNMENT RESPONDS TO AGRI-FAB ANTI-DUMPING PETITION

SULLIVAN, IL — January 26 -- In a decision that will protect the U.S. lawn equipment industry, the Department of Commerce issued a preliminary ruling Friday that Chinese manufacturers have been exporting lawn grooming equipment to the United States at unfair prices, says Agri-Fab in a Jan. 26 news release.

Responding to a petition from Agri-Fab, the country's largest producer of tow-behind lawn grooming equipment, this decision ultimately protects American jobs and ensures U.S. consumers continue to receive durable lawn care equipment backed by quality, domestic-based service, says the release.

In June 2008, Agri-Fab filed an anti-dumping petition on behalf of the domestic tow-behind lawn care equipment industry urging the U.S. International Trade Commission (ITC) and Department of Commerce to investigate unfairly traded tow-behind lawn grooming equipment from China. The petition noted that the prices of imported Chinese products unfairly undersold U.S. producers by significant margins, which meant Chinese manufacturers were gaining a secure foothold in the U.S. market at the expense of domestic manufacturers. Imports of tow-behind lawn grooming equipment from China surged more than 240% from 2005 to 2007.

In a preliminary ruling Friday, the Department of Commerce agreed with Agri-Fab and will now require importers of Chinese products to pay the U.S. government anti-dumping duties beginning at approximately 12%, but reaching as high as 324%, of the product costs charged by the Chinese suppliers. These percentages will vary depending on the particular Chinese manufacturer/exporter. By the time the Department of Commerce renders its final determination in June, it is expected that the standard dumping duty for all Chinese equipment will be 324%.

"The petition was necessary to protect American producers and keep Americans employed," says Michael Cohan, president of Agri-Fab. "No American firm, especially in today's economy, should be required to compete against Chinese producers who are selling products similar to ours at less than our costs of materials. Ultimately the ruling protects our industry and ensures U.S. consumers will continue to receive the quality of products and the superior service they have grown to expect from their domestic manufacturers."

Tow-behind lawn grooming equipment covered by the petition includes lawn sweepers, lawn seed and grass spreaders, turf aerators and dethatcher.

About Agri-Fab

Agri-Fab Inc. is an industry leader in the manufacturing of lawn and garden attachments that are built tough and guaranteed to last season after season. Founded in 1975, the Sullivan, IL-based company emerged as an industry leader following the introduction of its innovative lawn sweeper. The company has since become the dominant source in the lawn and garden attachment business and expanded its products to include other feature-rich attachments and products for the lawn and garden, as well as the UTV/ATV market.

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5) THOUGHTS FOR THE DAY

FAILURE

Failure is not fatal,
but failure to change might be.

- John Wooden

LOVE

We are shaped and fashioned
by what we love.

- Johann Wolfgang Von Goethe

ACTION

You can't cross the sea
merely by standing and staring
at the water.

- Rabindranath Tagore

TIME

You will never find time for anything.
You must make it.

- Charles Buxton

KINDNESS

Kindness is more important than wisdom,
and the recognition of this
is the beginning of wisdom.

- Theodore Isaac Rubin

SELF-RESTRAINT

The best executive is the one who has sense enough to pick good men to do what he wants done,
and self-restraint enough to keep from meddling with them while they do it.

-Theodore Roosevelt

CHOOSE CAREFULLY

Associate with men of good quality if you esteem your own reputation;
for it is better to be alone than in bad company.

- George Washington

SUCCESS

The first
and most important step
toward success
is the feeling
that we can succeed.

- Nelson Boswell

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6) BRIGGS, OTHER SMALL-ENGINE MAKERS OPPOSE STATE EMISSIONS LAWS

Rick Barrett www.jsonline.com

MILWAUKEE – January 28 -- Wisconsin's small-engine makers hope that changes in regulations aimed at greenhouse gases won't require them to build different engines for different states.

This week, President Barack Obama directed the U.S. Environmental Protection Agency to reconsider letting California and other states set limits on greenhouse gases, such as carbon dioxide, emitted by automobiles and light trucks.

Environmentalists are pressing the EPA to regulate greenhouse gases from other sources, too, including emissions from off-road vehicles such as ATVs and snowmobiles.

It could rekindle debates that Briggs & Stratton Corp. and other Wisconsin power-equipment makers had with California and the EPA over emissions regulations.

"The devil is always in the details. It's something we have to watch very closely," said Bill Harley, president of the Outdoor Power Equipment Institute, a trade group that represents Briggs and at least six other Wisconsin manufacturers, including Kohler Co. in Kohler and Ariens Co. in Brillion.

California state officials and engine-makers clashed only a few years ago.

Regulators, led by the California Air Resources Board, pressed for less pollution from the small-engine industry as emissions from cars and trucks improved.

They argued that Briggs and other engine-makers could install catalytic converters on small engines to reduce pollution. Briggs, the world's largest producer of small gasoline engines, said the equipment would pose safety hazards and would be too costly for products such as walk-behind lawn mowers.

Last fall, federal regulators ordered the small-engine industry to make sharp cuts in emissions for its new products. Briggs said the rules were modified to their satisfaction and avoided a patchwork system of states adopting different standards.

"We feel strongly that regulations covering all of the states are a much better outcome," Laura Timm, a Briggs spokeswoman, said Tuesday.

If the Obama administration allows California and other states to write their own greenhouse gas rules, she added, it could be very costly for engine-makers.

"It makes it incredibly difficult for manufacturing," Timm said.

California and at least a dozen other states have tried to come up with tougher engine emissions standards than those imposed by the federal government, but Obama has said Washington stood in their way.

Thus far, the initiative that would allow California to write its own greenhouse gas regulations is mainly focused on automobiles and lightweight trucks.

"But does it open the potential for them to regulate other internal combustion engines for carbon dioxide? Probably," said Kris Kiser, vice president of public affairs at the Outdoor Power Equipment Institute.

"California is on the forefront of this debate. Down the road, it absolutely could affect small engines," he added.

Critics of the small-engine industry say a lawn mower produces as much pollution in one hour as a car does in 20 miles, although it's much better than years ago when a lawn mower polluted as much in an hour as a car did in 350 miles.

Small-engine makers have turned to advanced technologies, some from automakers, to clean up their products.

The industry could come under further scrutiny from California and the EPA, but it's probably not a high priority for regulators, said Frank O'Donnell, executive director of the Clean Air Trust, a Washington, D.C., advocacy group.

California, which has some of the nation's worst air pollution, has initiated a rule aimed at cleaning up emissions from off-highway diesel engines.

That's a concern for the Association of Equipment Manufacturers, a Milwaukee-based trade group that represents construction and farm equipment companies.

Under the rule, diesel engines already in use would have to meet stricter emissions standards. To comply, engines would have to be modified with new technologies or they would be taken out of service.

It could be costly for equipment owners, such as building contractors, said Mike Pankonin, senior director of technical and safety services for the Association of Equipment Manufacturers.

The California rule could stall plans to stimulate the economy through construction, said Stephen Sandherr, CEO of Associated General Contractors of America, an industry trade group.

The equipment industry has seen that regulations of greenhouse gases are coming, added Mike Osenga, publisher of Diesel Progress magazine, in Waukesha.

"I think what the industry hopes for, and has since the beginning of the Clean Air Act, is that it wouldn't end up having to make 50 engines for 50 states, or even five different engines," Osenga said.

He added, "What causes the engine world some pain is that it's just finishing up an era of billion-dollar costs to meet exhaust emissions regulations. And given the current economic situation, with Caterpillar for example having just cut 20,000 jobs, I think the industry hopes that what comes out of Washington will at least be reasonable and fair economically."

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7) BEATRICE JOBLESS RATE CLIMBS

www.beatricedaileysun.com

LINCOLN – January 29, 2009 -- Nebraska officials say the state's unemployment rate increased to 4 percent in December from November's 3.7 percent.

The unemployment rate for Beatrice remained among the highest in Nebraska, increasing from 5.9 percent to 6.0 percent.

Despite the growing jobless claims locally, Beatrice Chamber of Commerce President Lori Warner has reason to be optimistic about the future.

"The climb that we're seeing is due largely to the industrial side," Warner said. "Most of our unemployment that has happened recently has come from the lawn mower manufacturing industry. However, I have heard positive comments about that turning around here in the next 4-6 weeks and we will see some hiring back."

Beatrice is home to three companies that manufacture lawnmowers, Husqvarna, Encore and Exmark.

"We rely heavily on the industrial park," Warner explained. "We have 12 manufacturers out in industrial park, they have 2,600 employees. So many of those businesses work together and help each other. You have different businesses that connect to the lawn mower industry, so when the lawn mower industry scales back, the others do as well."

"I don't see it staying this way for a long time," Warner added.

The Nebraska Department of Labor said in a report Wednesday that the state's jobless rate for December 2008 is 1.2 percentage points higher than the December 2007 rate. The jobless rate increased in all regions of the state since November.

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8) OPE INDUSTRY EVENTS AND MEETING CALENDAR

2009 OPE INDUSTRY MEETING AND EVENTS CALENDAR	
Click On Link For More Information	
<i>February 3-6, 2009</i>	World of Concrete , Las Vegas Convention Center
<i>January 20-22, 2009</i>	BTME-BIGGA , British Turf Management and the British International Golf & Greenkeepers Association Show, Harrogate International Center, England
<i>February 5-7, 2009</i>	GIS , Golf Industry Show, New Orleans, LA
<i>February 7-10, 2009</i>	OPEAA , Outdoor Power Equipment Aftermarket Association Annual Meeting, Amelia Island Plantation, Amelia Island, FL
<i>March 1-4, 2009</i>	OPEESA , Outdoor Power Equipment and Engine Service Association, Walt Disney World Swan Hotel, Orlando, Florida
<i>March 2-5, 2009</i>	The Rental Show , American Rental Association Conference and Trade Show, Georgia World Congress Center, Atlanta, Georgia
<i>March 8, 2009</i>	<i>Daylight Savings Time Begins</i>
<i>April 16-18, 2009</i>	EETC , Equipment and Engine Training Council 13 th Annual Conference, Monarch Hotel, Clackamas (Portland,) Oregon, Co-Sponsored by Shindaiwa and Oregon Cutting Systems
<i>May 5-7, 2009</i>	National Hardware Show , Las Vegas Convention Center and Sands Convention Center
<i>June 21-27, 2009</i>	Skills USA , National Leadership and Skills Conference, Kansas City, Missouri
<i>June 25-27, 2009</i>	OPEI , Outdoor Power Equipment Institute Annual Meeting, Ritz-Carlton Reynolds Plantation, Greensboro, GA.
<i>Gafa not offered in 2009</i>	<i>Gafa (with SPOGA)</i> , International Garden Trade Fair with the International Trade Fair for Sport, Camping and Garden Lifestyle, Cologne, Germany
<i>September 8-10, 2009</i>	IOG SALTEX , Grounds Care, Sports Facilities, Amenities, Landscaping And Estate Management Outdoor Trade Show, Windsor Race Track, Windsor, Berkshire, England
<i>September 20-22, 2009</i>	GLEE , International Garden and Leisure Show, NEC Birmingham, England
<i>October 29-31, 2009</i>	GIE+EXPO , Green Industry and Equipment Expo, Louisville, KY (combining EXPO and the GIE Show)
<i>October 21-24, 2009</i>	FFA , Future Farmers of America Annual Convention, Indianapolis, IN
<i>November 1, 2009</i>	<i>Daylight Savings Time Ends</i>
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9) EXMARK LOOKING TO STAY ON TOP

Joelyn Hansen www.beatricedailysun.com

BEATRICE, NE - January 30 -- In today's tough economy, Exmark Manufacturing Company, Inc. officials know they have to be aggressive about marketing their product.

In addition, they are.

"It's vital," Daryn Walters, Exmark Manufacturing Company Director of Marketing, said. "As the market share leader we have the responsibility to grow the business.

"We are the Mercedes-Benz of this industry."

Exmark has been a part of the Beatrice community since 1982 when it first incorporated as an independent manufacturer of professional turf care equipment. The company began with seven employees working out of a garage-type building just south of Beatrice. By 1983, it had grown enough to take residence in its present location in the Gage County Industrial Park.

Exmark currently employees about 500 people, Walters said.

Exmark became a leading contender among commercial lawnmower manufacturers in 1995 with the introduction of a mid-mount zero-turn riding mower.

Now, Exmark is the industry leader among other lawnmower manufacturers thanks to its zero-turn mower, Walters said. The company also holds the lead in Canada, with Toro, Exmark's sister company, in close competition.

Walters said the company must continue to be aggressive in promoting why Exmark is a superior product.

"We aren't going to dip our toe into the this, if we are going to do this, we are going to do it right," Walters said. "When you buy Exmark, it's not the brand, it's the Exmark experience."

It sends the message to all of their employees that they will fight through this economy to ensure people are able to maintain their jobs and to other lawnmower manufacturers that Exmark is ready to compete, Walters said.

"You're going to flush out a lot of bottom feeders that can't hang on in the economy," he said. "We're not going to pull in our horns, we're going to keep working."

To do that, Exmark is committed to focus on the avenues that will drive its business, Walters said.

Exmark recently rolled out of a new product, the Next Lazer Z. It brings in all the features and characteristics customers have grown to love, Walters said.

But, it also includes enhancements that improve the overall product. Those enhancements include improved cutting technology, operator comfort, traction and handling, safety and productivity and ease of maintenance.

Another key for Exmark is to tap into markets that will be most profitable. Through market research they found that the best place to infiltrate is the outdoor market, Walters said.

Exmark's marketing team found a good majority of people that participate in outdoor activities, such as fishing and hunting, purchase Exmark lawnmowers.

The company has begun a new marketing campaign, with the partnership of professional fisherman, Hank Parker, and professional hunter, Bill Jordan, and will soon launch the 2009 Exmark Outdoor Tour, Walters said.

This tour will take the Exmark name all around the United States to different outdoor shows.

With the help of Parker and Jordan, Exmark is able to offer incentives that will create opportunities for more people to try Exmark's product, Walters said.

Last year's tour was successful for Exmark, Walters said. The tour generated 7,000 consumer registrations for its promotion, with 1,000 of those requesting dealer follow up.

To introduce the 2009 campaign to Exmark employees, Parker visited the Exmark Manufacturing plant in Beatrice and its employees on Wednesday.

"It's great working for a company that is so innovative and quality is priority one," Parker said.

Parker, a North Carolina native, is a two-time Bassmaster Classic Champion, having won it in 1979 and 1989. He currently is involved in the production of his television series, Hank Parker's Outdoor Magazine.

The show is in national syndication on the Nashville Network, the Outdoor Life Network, the Outdoor Channel and most recently the Versus Network.

Parker is known as the "rod and reel answer to Michael Jordan."

Parker was excited to be in Beatrice, he said.

"For the employees at Exmark, it's not about fishing and hunting, it's about creating a market to keep their jobs," he said.

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10) MTD PRODUCTS INC ANNOUNCES EXECUTIVE PROMOTIONS

CLEVELAND – January 30, 2009 – MTD Products Inc, a global manufacturer of outdoor power equipment and appliance components based in Valley City, announced a series of executive appointments with the planned retirement of chairman and CEO, Curtis E. Moll.

Theodore S. Moll will succeed Curtis Moll as chairman;

Robert T. Moll will serve as CEO;

Jean H. Hlay has been named president and chief operating officer;

Hartmut Kaesgen has been appointed vice chairman;

Roy G. Pullum will serve as executive vice president of operations and global sourcing;

Rory B. Bringhurst has been named executive vice president of product development.

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11) GENERAC POWER SYSTEMS REDUCES PRESENCE IN MAQUOKETA, IOWA PLANT

www.thonline.com

MAQUOKETA, Iowa – February 4 -- Generac Power Systems Inc. will stay in the tri-state area, although its presence appears significantly diminished after vacating half of its Maquoketa plant to make way for another Waukesha, Wis.-based company.

And a Generac official remains tight-lipped about the extent of the company's Jackson County operation, as the generator manufacturer and its tenant battle a national economy in recession.

Husco International, a manufacturer of hydraulic and electrohydraulic controls, abandoned plans to move into the S&H Fabricating building last spring just before closing on a development deal with Jackson County. Generac then contacted Husco about leasing part of its plant to Husco.

The 145,000-square-foot Generac building was much larger and newer, said Gregg Heller, Husco's vice president of North American manufacturing. He said Husco is occupying half of the building, with a 10-year lease.

"Then we have an option to take on additional space that our growth will dictate," Heller said. "That's more in the three- to five-year plan."

That leaves open to question what exactly Generac plans to do in the area and in its own building.

"We still have our presence in Maquoketa and our intention is to continue to maintain it," said Clement Feng, Generac's chief marketing officer.

But Feng would not confirm how long the company will be in the Maquoketa area, how many employees are working there or how much of the building Generac is using.

The manufacturer arrived in Maquoketa in 2001, promising to bring 400 jobs to the facility. By 2005, Generac had only created 16 jobs. By 2007, the company roster was up to 50.

In September, Generac announced "company realignment," and Feng said the number of jobs being eliminated was in flux.

Local officials aren't aware of the company's long-term time line, either.

"Generac has not disclosed to me or any elected officials what is happening there," Stacy Driscoll, Maquoketa's economic development director, said last month.

Driscoll, also the community chamber of commerce director, said local leaders have been trying to communicate with the company in recent weeks but she did not have any further "official information."

Feng would not comment on whether there have been layoffs in parts of Generac recently, but said the current economic conditions have taken a toll.

"We supply products for construction purposes, new building and housing, we certainly feel the impact of the economy," Feng said. "But we are managing our business well and hope the economy improves soon."

Generac was set to receive \$1 million in federal incentives in 1999, but \$500,000 through an economic development program was never drawn out after only 90 jobs were created.

The company repaid \$275,000 based on a job shortfall in 2007 on another \$500,000 grant that went to the city through a federal public facilities funding program, according to Erin Seidler, a spokeswoman for the Iowa Department of Economic Development.

And while Husco's Heller confirmed that there still are some Generac employees on site, Seidler said the state could not divulge the number of employees there based on "confidentiality of contracts."

What is clear is Generac never created close to the number of jobs originally promised.

Husco last spring announced it would bring 250 jobs to the area in three to five years. The operation, officials say, remains on track, although the recession has slowed plans for growth.

Production began in July and products were being shipped out in August, Heller said. He said 25 employees have been hired so far, but stopped short of saying how many more would be hired.

"Right now, it's very dependant on the economy," he said, stressing that the company has been moving rapidly.

Heller said a new paint line and two hydraulic valve manufacturing cells have been installed and Husco plans to open three more cells in 2009.

"The fact that Husco is there, growing and filling that capacity is an awfully good trade-off," said Mike Blouin, president of Greater Dubuque Development Corp.

Blouin said he is not concerned about Husco fulfilling promises for jobs in the area, noting the manufacturer makes an essential component for Deere & Co.

Iowa offered Husco an incentives package valued at \$4.5 million, compared to less than \$1 million in Wisconsin, according to Husco officials.

"They're going to be here, the question is how fast are they going to grow," Blouin said. "In today's economy, probably not real fast."

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12) TECUMSEHPower SELLS PEERLESS TO HUSQVARNA OUTDOOR PRODUCTS

Grafton, WI – February 5 – TecumsehPower Company, provide of powertrain solutions to the global outdoor power equipment industry, announced today it has sold its Peerless transmissions business to Husqvarna Outdoor Products. Financial terms of the transaction were not disclosed.

The Peerless transmissions business, located primarily in Salem, IN, with limited operations in Grafton, WI, designs, manufactures and sells transmissions to outdoor power equipment OEM customers, and aftermarket service parts to OEM's and central warehouse distributors.

The transaction announced today represents the latest in a series of initiatives TecumsehPower's management team is taking in response to significant declines in customer volume.

"In response to a very difficult situation we are executing an orderly plan that protects our customers, creates value for our investors and preserves as many jobs as possible," explained TecumsehPower Company President and CEO Rudolf Strobl. "The successful divestiture of the Peerless transmissions business was a critical step in that process and is good news for everyone involved."

In October 2008 TecumsehPower informed its customers that the company would shut down manufacturing operations related to its engine business, a process that was largely completed by the end of 2008. And while engine production lines have stopped, the company has maintained its commitment to existing customers with full support for engine parts and services.

"We have sought and found solutions that preserve the commitment we made to our customers," said Strobl. "We have kept them informed every step of the way and will continue to evaluate every alternative with their long-term interest in mind."

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13) GENERAC POWER SYSTEMS CELEBRATES 50 YEARS IN BUSINESS, FOUNDER BOB KERN HONORED

Katherine Michalets www.gmtoday.com

WAUKESHA - February 7 -- It was 50 years ago in a 70-foot garage in Wales that Robert Kern started Generac Power Systems.

Through those five decades, Generac has expanded to campuses in Waukesha, Eagle, Whitewater and Maquoketa, created new products, weathered changing economies and continued to give back to the Waukesha County community through the The Kern Family Foundation.

Friday was declared "Generac Day" by Waukesha County Executive Dan Vrakas, who was on hand at the Waukesha building to present a plaque, share cake and celebrate with Generac staff.

Kern beamed as he received the plaque and talked with employees.

"It wasn't anything like this," he said of what he dreamed Generac could become. "There are a lot of good friends here that I've known for 10, 20, 30 years or longer."

Kern credits good cooperation and the spirit of the people to be able to pull together in bad and good times as reasons Generac continues to thrive today.

Roger Pascavis, senior vice president of operations for Generac's Waukesha facility, said Generac continues to make an innovative product. He said the company created a portable generator a year ago that is now the number two product in that market.

"We're planning on more growth," he said.

Generac continues to do well in the difficult economy and has retained all its employees, Pascavis said. "It doesn't rattle us, because we're always looking forward," he said of the economy.

Bill Treffert, who served as Generac CEO from 2001 to 2007 and was an employee with the company for 32 years, said the company's endurance comes from innovation and growth.

"You can't have anything without growth, which brings jobs to the people and opportunities to everyone," he said.

All components of Generac products are built in their facilities, which adds value to the product, Treffert said. Vrakas credits some of Generac's success to the employees' attitudes and the company's commitment to helping the county.

"It's about more than a paycheck," Vrakas said of Generac employees. "Their jobs are their lives, and they're (also) proud to work here."

He said many employees volunteer their time with area nonprofits and The Kern Family Foundation plays an important role in the community.

"He (Robert Kern) is one of the pillars of Waukesha County and it shows," Vrakas said.

Joy Datka and Jackie Kauffman took a break to talk during Friday morning's festivities that included a live radio broadcast, prizes and cake.

Both women have been employed at Generac for 20 years and said they have a good time working there. "We're lucky. We're very, very lucky," Datka said of working at Generac.

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14) GERMAN GARDEN TOOL COMPANY WOLF-GARTEN PURCHASED BY MTD PRODUCTS

BETZDORF, Germany -- January 23 – The German-based garden tool company Wolf-Garten has been bought by US-garden product supplier MTD.

The news was announced late Wednesday afternoon (Feb 4) and a pre-contract has been signed whereby MTD has bought "substantially the entire WOLF-Garten organisation".

Wolf-Garten UK marketing manager Karina Wysom said: "There is a meeting next week between MTD and WOLF-Garten senior management to discuss plans to develop the business in the future but we have been assured that they wish to continue to maintain and develop the Wolf brand in the UK."

She explained that MTD had injected "sufficient funds" to allow Wolf-Garten to get production up and running again in its German factories. As a result, it is hoped that production will begin again Monday, February 9 and supply should be back to normal within a couple of weeks.

Ms Wysom added: "As we still have a supply of stock in the UK, customers should not have been affected by our temporary halt in production."

For now, the tool company says it is "business as usual" and, for the short term at least, there will be no effect on existing employees at the Wolf office in Worcester.

Wolf-Garten GmbH entered administration last month after it experienced severe cash flow problems.

Ms Wysom concluded: "I would like to take this opportunity to thank our customers for their outstanding support and understanding during what has been an extremely difficult time for us all."

Wolf-Garten was established in 1922 and supplies garden tools and equipment to 35 countries internationally. The company has about 200 employees. They developed the first rotary blade power mower in Europe in 1953. In 1958 they introduced the first electric mower in Europe and in 1975, the world's quietest petrol lawnmower. Wolf-Garten also manufactures pruners, loppers, hedge trimmers, and pruning saws, and innovative electric and gas powered mowers and tools.

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15) OPEI SUPPORTS COALITION URGING US SENATE TO DENY HIGHER ETHANOL BLENDING CAP

Nick Snow, Oil and Gas Journal www.ogj.com

WASHINGTON, DC, Feb. 9 -- A coalition of associations and organizations asked the US Senate on Feb. 6 not to approve a provision in the economic stimulus bill it is debating that would increase the current ethanol blending cap.

The National Petrochemical & Refiners Association and 18 other groups said that adopting such a provision would short-circuit the Clean Air Act regulatory structure for approving the introduction of new fuels or fuel blends, and would lead to increased air emissions from gasoline-powered engines and potentially endanger consumers.

"In our collective opinion, a decision on whether to permit the use of ethanol concentration in excess of 10% in gasoline (so-called 'midlevel ethanol blends') in motor vehicle and equipment engines must be guided solely by sound, unbiased, and comprehensive science and must hold true to the fundamental purposes of protecting the environment and consumers," they said in a letter to Senate Majority Leader Harry M. Reid (D-Nev.) and Minority Leader Mitch McConnell (R-Ky.)

In addition to NPRA, the coalition included the Alliance of Automobile Manufacturers, American Lung Association, Engine Manufacturers Association, Friends of the Earth, International Snowmobile Manufacturers Association, Natural Resources Defense Council, **Outdoor Power Equipment Institute**, and Union of Concerned Scientists.

"Collectively, our organizations strongly believe that this issue should not be part of the economic stimulus package currently under consideration by the United State Senate," the letter continued.

Before midlevel ethanol blends are allowed, testing by the US Environmental Protection Agency and the Department of Energy should be allowed to continue, and the results must indicate that higher ethanol blends in gasoline-powered engines do not pose a threat to air quality or consumers, it urged.

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16) "GREENWASHING" CREATES CONSUMER DISTRUST OF GREEN PRODUCT CLAIMS

www.powerboat-world.com

February 2 -- The Australian Competition and Consumer Commission (ACCC) is investigating cases of potentially misleading green advertising, or "green washing" as it has become known. "We are now starting to experience over-selling and under-delivering, and potentially misleading conduct" in the marketing of green products.

The ACCC took "recent actions against Saab, EnergyAustralia and Origin Energy. The Commission said that "If the morality of the issue doesn't force companies into compliance, maybe the penalties will? Companies found guilty of "greenwashing" face fines of up to \$1.1 million

"Greenwashing" may be affecting consumer's opinions and creating skepticism about the claims of green products.

"Ad agencies and brand managers feel they've hit upon the 'next big thing' in unique selling propositions, but the survey found that consumer skepticism and tighter budgets mean green products are no more appealing than their competitors." A recent study by design firm Blue Marlin "has found that Australians' concern over the environment does not necessarily translate into sales."

"Being environmentally responsible was one of the least important drivers, according to the findings of the Blue Marlin survey. Even among supposedly "green consumers," only a small proportion said they are motivated by environmental product claims."

"Overall, two thirds of respondents said environmentally friendly products were overpriced, rising to 72 per cent among families with children."

Mobium Research also confirmed this trend. Its study last year measured the attitudes of 1700 consumers and found that the number of people who said they were willing to pay a 25 per cent premium for a product that was 'made in an environmentally friendly manner' had fallen from half in 2007 to a third.

It also found that almost nine in 10 Australian consumers distrusted green claims.

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17) ASSETS OF TECUMSEH POWER PURCHASED BY CERTIFIED PARTS CORPORATION

Jim Leute www.gazettextra.com

JANESVILLE — February 10 -- Rock County has lost vehicle manufacturing, but it now has an engine business.

Janesville businessman Jim Grafft on Monday bought the assets of the engine division of TecumsehPower Co. and plans to move the operation to Rock County.

Until TecumsehPower ended engine production in December, the company made gas engines for snowblowers, generators and other lawn and garden, industrial and agricultural applications.

Initially, Grafft will supply parts for TecumsehPower engines. Down the road, Grafft said his company could produce engines locally, a step that would rev up the potential for new, well-paying jobs.

TecumsehPower, a direct competitor of Briggs & Stratton in the small engine market, lost a key customer last year.

"At one point, they were building 2 million to 4 million engines a year," Grafft said. "Then 60 percent of their business disappeared.

"That created a huge void in the market," he said, adding that TecumsehPower supplied about 80 percent of engines for snowblowers.

Last week, TecumsehPower sold the assets of its transmission business to Husqvarna Outdoor Products.

TecumsehPower engines primarily were built in Dunlap, Tenn. Component plants in Indiana and the Czech Republic supported the Tennessee plant.

At this point, Grafft's purchase of TecumsehPower is similar to a move he made in 1982. Grafft and his Janesville-based Certified Parts Corp., a national parts distributor for recreational equipment, bought Arctic Cat, essentially cornering the market on parts for the snowmobile line.

Grafft said his first challenge will be to consolidate in Rock County the TecumsehPower parts. He owns the former highway trailer building in Edgerton, as well as buildings in Janesville on Jackson, Pearl and Racine streets.

Many of the first shipments of parts will go to the Racine Street building.

If he ever moves to engine production, Grafft said he'd need about 200,000 square feet of space, which is the size of his Edgerton facility.

In order to build engines, Grafft said he would need to study the market and determine the players and their relationships with engine companies.

"A lot of those relationships go back years, but there are certainly some smaller original equipment manufacturers—even bigger ones—that don't have relationships with engine companies," he said.

Grafft would not reveal the purchase price for the assets, which a Los Angeles-based private equity firm bought in 2007 along with the transmission business for \$51 million.

TecumsehPower engines date to 1895, when John Lauson built his first internal combustion engine in New Holstein to make life easier for Wisconsin farmers. In 1905, Lauson introduced an engine designed for cold Midwest winters. Dubbed the "Frost King," the engine circulated a solution of calcium chloride that helped it start and keep running.

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18) OPEESA OFFICERS, BOARD, EXECUTIVE DIRECTOR CONTACT INFORMATION

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