

OPEESA'S

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“The Business of Outdoor Power Equipment”

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1) TORO ANNOUNCES MULTIPLE COST SAVING MEASURES IN RESPONSE TO GLOBAL RECESSION

BLOOMINGTON, Minn. -- Feb. 11, 2009-- The Toro Company today announced that it will reduce its worldwide salaried and office workforce by approximately 100 employees to better align the company's cost structure with the current economic and business environment. The company will offer assistance to employees affected by the workforce reduction in the form of severance, extended insurance coverage, and counseling and outplacement services to help with their transition.

"We had already taken a number of actions to adjust our cost structure to meet the expected challenges of fiscal 2009. Regrettably, we have reached the point where it is necessary to further reduce our workforce," said Michael J. Hoffman, Toro's chairman and chief executive officer. Combined with its previous actions of a voluntary retirement program and not filling open positions, the company will reduce its overall workforce by over 10 percent from the previous year.

The company also announced additional cost-saving actions that will impact remaining employees. Effective immediately, officers' salaries will be reduced by 10 percent for fiscal 2009. Regularly scheduled salary increases for all employees will be suspended, and four furlough days will occur during the remainder of the year. Toro will continue to monitor production volumes and take appropriate actions in response to customer demand for its products.

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2) CPSC, TORO COMPANY ANNOUNCE RECALL OF ELECTRIC BLOWERS

WASHINGTON, D.C. - December 11 -- The U.S. Consumer Product Safety Commission, in cooperation with the firm named below, today announced a voluntary recall of the following consumer product. Consumers should stop using recalled products immediately unless otherwise instructed.

Name of Product: Toro Power Sweep Electric Blowers

Units: About 900,000

Manufacturer: The Toro Company, of Bloomington, Minn.

Hazard: The blower's impeller, which is a rotating component on the blower, can break, resulting in pieces of plastic flying out of the blower. This poses a risk of serious injury to the user or a bystander.

Incidents/Injuries: Toro has received 162 reports of broken impellers, including 28 reports of minor cuts and bruises resulting from projected impeller pieces.

Description: The recall involves Toro Power Sweep electric blower model 51586 that was manufactured between 2000 and 2002. The recalled units have serial numbers that range between 000055100 and 220255609. There are two decals on the main housing of the blower. One decal reads, "TORO Power Sweep" and the decal on the opposite side of the blower contains the model number and serial number (shown by the letter "A" in the picture below). The recalled units can be identified by a black impeller fan, which can be seen through the air inlet screen on the bottom of the unit.

Sold through: Toro dealers and various mass retailers nationwide including The Home Depot, Lowes, Target and K-Mart stores from January 2000 through late December 2002 for about \$32.

Manufactured in: United States

Remedy: Consumers should stop using the recalled blowers immediately and contact Toro to receive a replacement blower.

Consumer Contact: For more information, contact Toro at (888) 279-3191 between 7:30 a.m. and 7 p.m. CT Monday through Friday or 8 a.m. and 6 p.m. Saturday. Consumers can also visit the Toro web site at www.toro.com. The Toro Company has notified registered owners directly.

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3) HUSQVARNA YEAR END AND 4TH QUARTER REPORT - FISCAL 2008 - EXCERPTS

Magnus Yngen, President And CEO:

Market conditions deteriorated further during the fourth quarter in most of our product areas. Due to the seasonality of our operations, the fourth quarter accounts for a small share of sales and income and is mainly devoted to production and deliveries for the next garden season.

Group sales for the full year 2008 declined by 6%, exclusive of acquisitions and in comparable currencies. Operating income declined by 34% inclusive of costs for personnel cutbacks, and operating margin declined to 7.3% as against 10.7% in 2007.

The decline in operating income is traceable mainly to lower sales volumes and a less favorable product mix for consumer products, particularly in the US, and for professional products for the construction industry. In light of the weaker demand, we implemented substantial production cutbacks in order to reduce inventories and capacity, which had a considerably adverse effect on income, due to lower cost absorption at our plants.

Lower volumes, including the effect of under-absorption, and a less favorable product mix had a total negative impact on operating income for the full year of approximately SEK 1,100m. Costs for materials were approximately SEK 350m higher than in 2007, referring mainly to Consumer Products in the US. In addition, operating income for the full year was charged with costs of SEK 316m for personnel cutbacks, of which SEK 301m was in the fourth quarter.

The personnel cutbacks were implemented in order to reduce costs in the Group, and affected 960 of our approximately 15,700 employees. Estimated annual savings amount to approximately SEK 350m, and are expected to take full effect as of the third quarter of 2009.

Continued growth in core areas

Despite difficult market conditions, there were positive trends during the year in several product areas. Sales increased for professional chainsaws, particularly in the US. Total sales and operating income for forestry products were unchanged. This was enabled mainly by launches of new products with both improved performance and lower production costs, and by rationalization of production. Other products showing positive performance included Riders, the robotic Auto mower® lawnmower, and high-end Husqvarna-branded products for consumers.

Looking ahead in 2009

Market conditions will remain weak in 2009, with lower demand in both Europe and the US. We will maintain a high level of flexibility and be prepared to make rapid adjustments if market conditions deteriorate further.

We will focus on maintaining costs and inventory at low levels and prioritize cash flow. With regard to costs, the implemented cutbacks will generate effects during the second half of 2009. Integration of acquisitions will also make a positive contribution, as we are increasing our efforts to realize potential synergies.

As retailers have been cautious in terms of inventory build-ups for the coming season, production will be ramped up later. We expect a significantly weaker start of the season in 2009 in comparison with the very strong start in 2008.

Although 2009 will be a difficult year in terms of market conditions, I am convinced that there are very good opportunities for Husqvarna to strengthen its market positions both this year and in the years to come.

Magnus Yngen President and CEO

NET SALES AND INCOME

Fourth Quarter Net Sales

Net sales for the Husqvarna Group in the fourth quarter of 2008 decreased by 1% to SEK 5,126m (5,196). Adjusted for acquisitions and in comparable exchange rates, net sales decreased by 11%.

Sales for Consumer Products in North America rose from a low level in the previous year, however, while all other product areas showed considerable downturns.

Operating income

Operating income declined to SEK -472m (269), corresponding to an operating margin of -9.2% (5.2).

Operating income includes a charge of SEK 301m for costs related to the previously announced personnel cutbacks.

Apart from the costs for personnel cutbacks, the decline in income was due primarily to lower sales, lower production levels and higher material costs.

The decline in operating income refers mainly to Consumer Products in Rest of the World, as well as Construction products and Lawn and Garden within Professional Products. Income for Forestry products was largely in line with the previous year.

Changes in exchange rates, including both translation and transaction effects net of hedging, had a total positive effect on operating income of SEK 91m (21). Hedging contracts had a positive effect of SEK 33m (-38).

Financial net

Net financial items amounted to SEK -140m (-175). The improvement refers to lower interest rates.

Income after financial items

Income after financial items declined to SEK -612m (94), corresponding to a margin of -11.9% (1.8).

Taxes

Tax for the fourth quarter was positive and amounted to SEK 194m (-14), following the negative income.

Earnings per share

Income for the period declined to SEK -418m (80), corresponding to -1.09 SEK (0.21) per share after dilution.

Full year 2008

Net sales

Net sales for the full-year 2008 declined by 3% to SEK 32,342m (33,284), and by 6% after adjustment for acquisitions and in comparable exchange rates.

Net sales decreased by 6% for both Consumer Products and Professional Products, after adjustment for acquisitions and in comparable exchange rates. The largest declines referred to Consumer Products in North America and Rest of the World, and to Construction products within Professional Products.

The comparative figures for 2007 do not include the major acquisitions, i.e. Gardena and Zenoah, for the full year.

Operating income

Operating income decreased by 34% to SEK 2,361m (3,564), and margin was 7.3% (10.7). Operating income includes a charge of SEK 316m related to costs for personnel cutbacks. Operating margin was 8.3% after adjustment for these costs.

Apart from the costs for personnel cutbacks, the decline in operating income is due mainly to lower sales and higher costs for materials. Income was also adversely affected by lower production levels in order to reduce inventories, which involved lower absorption of costs.

In terms of business areas, the decline refers to Consumer Products in both North America and Rest of the world, and to Construction products within Professional Products.

Changes in exchange rates, including both translation and transaction effects and net of currency-hedging contracts, had a total positive effect on operating income in the amount of SEK 184m (-21). Currency-hedging contracts had an adverse effect of SEK -89 (-148).

Financial net

Net financial income amounted to SEK -594 (-675). The improvement is due mainly to lower interest rates. As of year-end the average interest rate for total borrowings was 4.3% (5.2).

Income after financial items

Income after financial items declined by 39% to SEK 1,767m (2,889), and margin was 5.5% (8.7).

Taxes

Taxes amounted to SEK -479m (-853), corresponding to 27.1% (29.5) of income after financial items.

Earnings per share

Income for the period declined by 37% to SEK 1,288m (2,036), which corresponds to SEK 3.34 (5.29) per share after dilution.

OUTLOOK FOR THE FIRST QUARTER 2009

Retail inventories of the Group's garden products at year-end are estimated to have been substantially lower than in the previous year. The Group's listings with major retailers for the season are improved in comparison with 2008.

As consumer demand is likely to remain low and retailers are expected to continue to focus on maintaining low inventories, the Group expects shipments in the first quarter of 2009 to be substantially lower than in the first quarter of 2008.

PERFORMANCE BY BUSINESS AREA

Consumer Products

Sales of garden equipment, excluding chainsaws, are seasonally low in the fourth quarter and refer mainly to the build-up of inventory at retailers for the coming season.

Sales for the Consumer Products business area in the fourth quarter increased in SEK, but declined after adjustment for acquisitions and in comparable exchange rates. Sales in North America rose over the previous year, while sales outside North America declined considerably. The increase in North America refers mainly to chainsaws and snow throwers.

Retailers were more cautious than in 2007 regarding building-up inventories for the coming season, in both Europe and North America. As a result, the Group's pre-production in the quarter was substantially lower than in the previous year, which resulted in lower absorption of costs.

Operating income and margin showed substantial downturns as a result of the costs for personnel cutbacks, higher direct material costs, and substantially reduced production levels in order to reduce inventories. Costs for personnel cutbacks that are included in income for this business area amount to SEK 74m.

Full-year 2008

Sales for Consumer Products for the full year were lower than in 2007. The decrease is due mainly to North America, where industry shipments and consumer demand showed a substantial decline in most product categories with the exception of chainsaws. Group deliveries decreased in line with the downturn in industry shipments.

Lower sales were also reported for the operation outside North America, both for irrigation equipment and several other product categories. Husqvarna-branded products sold to servicing dealers showed continued good growth, however, primarily for handheld equipment.

Operating income and margin for this business area declined sharply in comparison with the previous year. The decrease is due to lower sales volumes and a less favorable product mix in both North America and Europe, as well as higher costs for materials particularly in the US. Operating income was also adversely affected by substantial cutbacks in production in both North America and Europe in order to reduce inventories, which involved lower cost absorption.

Professional Products

Sales for the Professional Products business area in the fourth quarter were lower than in 2007. All product areas reported significant declines.

Sales of construction equipment showed a substantial decline as a result of continued weak demand in both the US and Europe. The decline for Lawn and Garden refers mainly to the US, but lower demand was also noted in several European markets. Sales for Forestry showed good growth in the premium segments in North America, but declined substantially in Eastern Europe and Russia.

Operating income for this business area showed a major downturn. The decline is due to Construction and Lawn and Garden. Income for both product areas was adversely affected by lower sales volumes, a less favorable product mix and lower production levels. Income for Forestry was largely unchanged and margin improved. Costs for personnel cutbacks amounted to SEK 226m in the quarter.

Full-year 2008

The decline in sales for Professional Products for the full year refers mainly to the Construction product area, in which demand was substantially lower in both Europe and North America. Lower sales were also reported for Lawn and Garden, particularly in the US.

Sales for Forestry were in line with the previous year, mainly as a result of good growth for premium chainsaws in North America. The favorable trend for forestry products is traceable mainly to product launches, increased investment in marketing in the US, and rationalization of production. Operating income for this business area was substantially lower than in 2007, and margin decreased.

The decline resulted mainly from the sharp drop in sales of Construction products. Operating income for Forestry was largely unchanged in comparison with the previous year, and margin remained at a high level. Operating income was adversely affected by substantial cutbacks in production in most operations.

CHANGES IN GROUP STRUCTURE

The acquisition of Jenn Feng's outdoor products operation was completed in December 2008, when the Chinese operation, which accounts for the largest share of sales, was acquired. The operations in North America and Australia were consolidated as of May 2008. This operation has annual sales of approximately SEK 800m and is included in the Group's accounts for 2008 with sales of SEK 89m, of which SEK 36m in the fourth quarter. The acquisition had a marginal impact on Group's full-year operating income.

DECISION ON COST-CUTTING MEASURES

As a result of the weak market conditions, the Group has implemented measures to reduce fixed costs in the Group. As previously communicated, these measures will reduce the number of employees by 960 and will be fully implemented during the first half of 2009.

The costs of these measures was SEK 316m, of which SEK 15m was charged against income in the third quarter and SEK 301m in the fourth quarter. Savings are estimated at approximately SEK 350m annually, and will be achieved gradually during 2009 taking full effect as of the third quarter.

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4) THOUGHTS FOR THE DAY

CHALLENGES

The basic difference between an ordinary man and a warrior is that a warrior takes everything as a challenge while an ordinary man takes everything either as a blessing or a curse.

- Carlos Castaneda

PROGRESS

Progress always involves risks.
You can't steal second base
and keep your foot on first.

- Frederick B. Wilcox

MISTAKES

"If you have made mistakes, even serious ones,
there is always another chance for you.
What we call failure is not the falling down
but the staying down."

- Mary Pickford

PERSEVERANCE

Courage and perseverance
have a magical talisman,
before which difficulties disappear
and obstacles vanish into air.

- John Quincy Adams

POSSIBILITIES

Your aspirations are your possibilities.

- Samuel Johnson

SUPPORT

First it is necessary
to stand on your own two feet.
But the minute
a man finds himself in that position,
the next thing he should do
is reach out his arms.

- Kristin Hunter

GRATITUDE

Gratitude is not only the greatest of virtues,
but the parent of all others.

- Cicero

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5) TORO REPORTS FISCAL 2009 FIRST QUARTER RESULTS

Company delivers net earnings per share of \$0.18
Residential segment sales flat; Professional segment sales down 22 percent
Focused efforts to reduce working capital drive improved balance sheet

Excerpts of comments by Michael J. Hoffman, Chairman and Chief Executive Officer of Toro, and Stephen P. Wolfe, Vice President of Finance and Chief Financial Officer of Toro concerning Toro's fiscal 1st quarter results.

BLOOMINGTON, MN.-- Feb. 19 -- "In response to the deteriorating market conditions we've taken a number of actions to deal with the new reality of the global recession. We have further aligned production schedules for reduced demand and our determined to lower inventory. We continue to scrutinize discretionary expenses and reduce spending. The freeze on all open positions that we initiated early last year remains in place and we completed a voluntary retirement program this past December.

Unfortunately just last week we were forced to take additional action to reduce our office and salaried work force by approximately a 100 employees. This was a very difficult decision, but one that became unavoidable given the harsh realities of the current business climate. Combined with previous measures, the company has reduced its overall work force by approximately 15% from the previous year when you include contractors, part time, and temporary employees.

Beyond the reduction, we took additional actions that will affect all the remaining employees including the suspension of regularly scheduled salary increases, reduced officer salaries, changes in our vacation policy, and the addition of for referral days all for the remainder of fiscal 2009. We know these steps are very painful, and yet they were necessary to keep Toro competitive through this difficult environment, so we can resume our chart record of solid financial performance when the world economy begins to improve.

In addition to aggressively managing cost we remain committed to reducing our working capital needs and the resulting improvements to our balance sheet stand out as a positive factor for us in this very difficult business environment. Our inventory levels are much lower, receivables are down considerably, and we are about \$60 million less than we did last year -- in last year's first quarter. Also our field inventory levels are down on a year-over-year basis.

So while we are disappointed with our results for the quarter, we know we are not alone in dealing with the current challenges. We will continue to manage the business in line with this new reality and remain confident in the strength of our brands, our products, our people, and our channel partners to effectively compete for our customer's business in the months ahead.

For the quarter net sales were down 16.2% to \$340.2 million. Worldwide sales have declined across most professional categories due to the global recession that we are in. These declines were somewhat offset by stronger orders for snowthrower products and favorable preseason shipments for our redesign lineup of Toro and Lawn-Boy Walk Power mowers.

Net earnings for the quarter were \$6.7 million or \$0.18 per share, a decrease of 62% on a per share basis compared to the same period last year. The earnings decline included a pre-tax charge of \$1.3 million or \$0.02 per share on an after-tax basis to account for the workforce adjustments Mike talked about.

Starting with the professional segment, worldwide sales for the quarter were down 22.3% up to \$229.4 million. Shipments declined across most professional product categories due to the challenging market conditions and customers reluctance to place orders in this time of economic uncertainty.

Within the golf market shipments of turf maintenance equipment and irrigation systems were down significantly as existing courses delayed purchases of new equipment and the number of renovation projects and new golf course under construction slowed considerably.

In addition, shipments of professionally installed residential and commercial irrigation products declined due to the ongoing pressure in housing and commercial construction. And finally Exmark and Toro products in the landscape contractor category were also down for the quarter. Partially offsetting the decline in shipments was strong, initial stocking orders for our new platform of zero turn mowers and our new stand-on mower that launches us into an entirely new product category.

Net earnings in the professional segment for the quarter were \$30.1 million down 41.5% from the comparable fiscal 2008 period. The decline was primarily due to the significant sales decrease. Fixed SG&A expense spread over lower sales volumes and higher manufacturing variances.

In the residential segment, worldwide sales for the quarter were up less than 1% to \$107 million. Despite the recessionary conditions, consumers appetite personal products remained healthy. In fact worldwide demand for Toro snow throwers improved significantly over the last year due to lower field inventory entering the season, a powerful product line up and strong early snowfall in Canada and key U.S. markets like the Mid-West and the North-East.

We have sold out our inventory and field inventory in most locations is in good shape which bodes well for pre-season orders for the next snow season.

Within the Lock Power mower category, shipments of Lawn-Boy products were up as a result of expanded placement at the key retailer, while Toro products experienced increased orders from our dealer channel due to better product availability this year. Both brands of steel Lock Power mowers were re-designed and re-positioned to cover a broader range of price points and deliver greater value to our customers. These gains were somewhat offset by delayed shipments of consumer value products as customer shifted orders closer to retail demand.

Also impacting our residential segment results for the quarter were lower international sales, primarily due to the effects of unfavorable currency. Net earnings in the residential segment for the first quarter were \$4.8 million, up 26.8% from a comparable fiscal 2008 period. The improvement was primarily driven by lower SG&A expense due to reduced spending from marketing, warehousing, and engineering.

Now let's turn to key operating results. Starting with gross margin, gross margin decreased by 2 percentage points in the first quarter to 34.8%. The decline was primarily attributed to lower production volumes and efforts to reduce inventory levels, favorable product mix, and increased commodity cost. A portion of the decline was offset by a drop in freight expenses.

SG&A expenses for the quarter were down \$12.6 million or 10.7%. However, as a percent of sales, SG&A expenses increased to 30.7% compared to 28.9% in the first quarter of last year. While actual expenses declined, it was not enough to keep pace with the reduction in sales volume for the quarter.

Interest expense was down \$500,000 for the quarter, the result of significantly lower short-term borrowing levels and reduced interest rates. And our effective tax rate for the quarter was 33.7% compared to 35.4% in the first quarter of last year. The decline was primarily due to the extension over the federal research and engineering tax credit. And for fiscal year 2009, we now expect our tax rate to remain at approximately 33.7%.

Working capital improvements have strengthened our balance sheet and the results are significant. A good proxy of field inventory is accounts receivable which is down \$46.7 million or 13.6% from last year's first quarter. And by closely managing production, we've lowered our net inventories by \$57.2 million or 19.3%. And in these recessionary times, we all know liquidity is paramount and I am pleased that our seasonal short term borrowing needs are \$60 million below from we were one year ago today.

On that note, let me conclude this section with a few comments on the credit environment for Toro, our channel partners, and our customers. At Toro, we have a solid relationship with our credit line banks. And at the end of the first quarter, we've drawn only \$25 million against our total domestic committed credit lines of 225 million. This compares to the \$85 million we had drawn at the end of last year's first quarter.

As a result, our liquidity position appears to be more than sufficient heading into our peak selling season. And at this point as future reference, last year we had \$50 million of committed revolvers that were unused at our peak borrowing time. And this year, we are tracking substantially better in comparison to last year.

Regarding our channel partners, their financing is provided primarily by third-parties and the Toro credit company, and currently we have no major credit availability issues in this area. As for our end customers, credit for consumers and contractors has tightened noticeably compared to last year and may impact sales as we enter our primary selling season. The same applies to our golfing grounds customers to release equipment leasing. So, we've added three additional financing providers to our company sponsored leasing program to alleviate the credit availability concerns.

We've already covered the many actions we've taken to deal with this period of reduced demand and uncertainty. Despite the many unknowns, we will work diligently to drive retail demand and believe we can build momentum if mother nature provides a reasonable spring for us.

One of the many ways we will compete for business is through selling the merits of our new innovative products. Entering the primary selling season our new products are at the highest level in recent history and that will help us. Products like the Toro GrandStand, Toro Z Master G3, and X-Mark Next Lazer Z referred to earlier have energized our channel and captured the interest of landscape contractor customers.

We need productivity and innovation they have come to expect from us. For golfing ground customers, we recently introduced a new offering of heavy duty work in utility vehicles, Pro Core Deep-Tine Aerators and highly productive Groundsmaster rotary mowers. In the area of water management, our new Precision spray nozzles are helping customers achieve optimal plant health with significantly less water.

And for home owners our new line up of Toro Lawn-Boy Walk Power mowers provided an expanded line up at competitive prices. Together the strong combination of our trusted brands, innovative products, solid customer relationships will enable us to compete effectively for the business this season.

A little while ago I shared an interesting conversation with a large commercial contractor in the South West. While the construction side of their business has been quite sluggish; the landscape maintenance side has been solid, the point being while construction equipment may sit idle during these difficult times, Turf equipment remains in constant use as the grass continues to grow.

Speaking of customers interactions, earlier this month we had a chance to visit with a number of our customers at the Golf Industry Show in New Orleans. Many golf courses will be operating on reduced budgets this year, but they remain hopeful that market conditions will improve later in the year. While overall show attendance was down we were encouraged by the constant flow of serious buyers in our booth and a strong interest in our new product innovations.

I'm also pleased to announce that we just recently secured a contract with the U.S. army to provide golf course maintenance equipment and services to maintain their more than 50 golf facilities worldwide. This includes courses in the United States, Germany, Puerto Rico, Japan and Korea. This is a great win for Toro, a testament to our brand and product strength along with the dedicated efforts of the Toro team to secure this business.

So, looking forward, we expect the global recessionary conditions to continue for the remainder of this fiscal year. Given these conditions the resulting impact to our business and corresponding outlook is more uncertain. While we are confident in our ability to hold and improve market share, there is a larger question on just to what degree our markets will contract.

With that uncertainty, we now expect the fiscal 2009 revenues to decline about 15% from fiscal 2008 and our net earnings to be approximately \$1.75 to \$2 per share. For our fiscal 2009 second quarter, we expect to report net earnings per share of \$0.85 to \$1.

There is no doubt that fiscal 2009 will be one of the most challenging years we've faced in decades. We don't know how long it will take for our markets in the world economy to rebound, but we do know that the choices we make will determine our future position. While we continue to take appropriate actions in the short term to remain financially strong and competitive, we are mindful of the risk of damaging what will ultimately drive our success for the long term and will manage the business accordingly."

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6) WHEN GOING GETS TOUGH, THE TOUGH GET GROWING

Bruce Horovitz www.usatoday.com

February 22 -- Hard economic times are acting like instant fertilizer on an industry that had been growing slowly: home vegetable gardening.

Amid the Washington talk of "shovel-ready" recession projects, it appears few projects are more shovel-ready than backyard gardens. Veggie seed sales are up double-digits at the nation's biggest seed sellers this year.

What's more, the number of homes growing vegetables will jump more than 40 percent this year compared with just two years ago, projects the National Gardening Association, a non-profit organization for gardening education.

"As the economy goes down, food gardening goes up," says Bruce Butterfield, the group's research director. "We haven't seen this kind of spike in 30 years."

At W. Atlee Burpee, the world's largest seed company, seed sales will jump 25 percent this year, estimates Chairman George Ball. "It's weird to have everyone else you talk to experiencing plunging markets. We're on a roll."

Burpee is taking pains to craft its marketing to fit the times, says Ball. It recently rolled out the "Money Garden," a value bundle of tomato, bean, red pepper, carrot, lettuce and snap pea seeds sold online at www.burpee.com. With a separate retail value of \$20, the pack sells for \$10, and under the right conditions, Burpee claims, can produce \$650 worth of veggies.

"Seeds are God's microchip," says Ball. But in the suddenly hot world of veggie seed sales, Burpee has company: Park Seed. Vegetable seeds sales are up 20 percent this year versus 2008, says Walter Yates, who oversees the company's e-commerce.

Says Yates, "Every time this country goes through a recession, there is a surge of folks who want to get back to basics." Renee's Garden. Business manager Sarah Renfro says veggie seed sales were up about 10 percent last year and look to grow up to 20 percent.

"After years of declining veggie seed sales, the whole cycle has completely reversed," says Renee Shepherd, president.

Harris Seeds. Home garden vegetable seed sales are up 80 percent from one year ago, says Dick Chamberlin, president. "A jump like this has never happened."

Ferry-Morse Seed. After 2008 sales grew 5 percent, the company stocked up on 50 percent more vegetable seeds to sell in 2009, says John Hamrick, vice president of sales and marketing.

The veggies are apparently squeezing flowers for space in the nation's gardens. Ferry-Morse, along with others, is seeing a decline in sales of flower seeds, and Hamrick says the company has switched its inventory mix from 50-50 to 40 percent flower seeds and 60 percent veggies.

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7) STIHL TO REDUCE HOURS, CUT BACK ON USE OF TEMPS

VIRGINIA BEACH, VA – February 24 -- Stihl Inc., the city's largest manufacturer, will reduce the hours of some full-time employees and discontinue using some temporary workers in response to reduced global demand for its products, a company official said Tuesday.

"It's not a layoff," said Anita Gambill, a local spokeswoman for Stihl, an international power-tools manufacturer with U.S. headquarters in Virginia Beach. "No permanent positions are being eliminated. The situation is considered temporary." The work reductions for full-timers might start as early as next week, Gambill said.

The cutback in hours may last a couple of weeks, she said. "In some instances, it may be longer. It varies by assembly line."

Stihl has about 2,150 full-time workers. The company has not decided how many will be affected.

Employees were told of the cutbacks Monday, she said.

Stihl last year reported its 17th consecutive year of increased U.S. sales, Gambill said.

The company does not provide dollar amounts.

Stihl, however, has recently experienced "a decline in demand outside the country," she said, requiring it to "rebalance inventory. We want to make sure we're producing the right models."

The work reductions will not affect benefits packages, Gambill said. Any temporary employees who lose work "were brought on last year to account for the increased demand" in 2008, Gambill said.

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8) GROUPS OPPOSE IDEA TO RAISE ETHANOL LIMIT

By Philip Brasher www.desmoinesregister.com

Washington, D.C. – February 28 -- The government is considering allowing drivers of newer cars to put more ethanol into their tanks, boosting the market for the corn-based fuel.

But a range of groups - automakers, makers of outdoor equipment and some environmentalists - oppose allowing gasoline with 15 or 20 percent ethanol.

Ten percent is now the legal limit for conventional cars.

Even some in the ethanol industry think it is impractical to raise the current limit for some, but not all, cars. Critics say it would be hard to prevent consumers from putting the higher blends into cars, boats or other equipment that could be damaged by the ethanol. If the higher-ethanol fuel is cheaper, many consumers would be tempted to buy it even if they knew they were not supposed to, critics say.

"That really creates an enormous potential for misfueling by consumers," said Charlie Territo, a spokesman for the Alliance of Automobile Manufacturers.

Under a proposal being studied by the U.S. Environmental Protection Agency, the higher blend would not be allowed for use in models more than a few years old or in equipment such as chain saws or lawnmowers, because of questions about whether they would be harmed by the higher ethanol content.

Now, only flexible-fuel vehicles, which can operate on E85, or 85 percent ethanol, can use more than 10 percent ethanol.

Unless it is changed, the 10 percent limit would prevent refiners from complying with the nation's annual biofuel usage mandates, which are set to grow from 11.1 billion gallons this year to 20.5 billion in 2015 and 36 billion by 2022, EPA officials say.

Raising the limit could help the ethanol industry in the near term, too, by allowing producers to sell more of the fuel additive in the Midwest.

The restrictions on ethanol content are designed to ensure that cars and power equipment operate properly and protect their emissions-control systems from damage.

The ethanol industry wants the EPA to raise the 10 percent cap to 15 percent or 20 percent for all conventional cars.

An ethanol industry organization, Growth Energy, said in a statement that it "doesn't seem necessary or practical" to have different standards for ethanol content.

But EPA officials say it will take considerable time and expense to do the research necessary to ensure that all the cars now on the road wouldn't be harmed by the E15 or E20. Government research has raised particular concerns about the effect on lawn equipment, generators and other equipment. Focusing studies on late-model cars, with more sophisticated systems, would simplify and speed the research.

However, EPA officials say they are aware of the difficulty of trying to restrict the sale of E15 to E20 to newer cars.

"Clearly, there is some consumer education that needs to happen," said Karl Simon, an EPA official who this week briefed some state officials on the agency's idea.

The EPA plans to outline its ideas in a broader set of proposals for implementing the biofuel mandates enacted by Congress in 2007. The proposals have been getting a final review by the Obama administration.

The Energy Department is leading the government's study of the effect of E15 and E20 on cars and power equipment. The department reported in October that preliminary research on 13 auto models showed no increase in tailpipe emissions.

However, the research did not entirely alleviate concerns about the effect on emission controls because some cars ran hotter on the higher ethanol blends.

The higher ethanol content caused problems for power equipment. The clutches on some gas-powered trimmers, for example, accidentally engaged.

An unusual coalition that includes car makers, engine manufacturers, oil refiners, environmental groups and the American Lung Association has been warning the EPA and Congress against relaxing restrictions on ethanol without extensive research to ensure it won't increase air pollution or harm engines.

Simon acknowledged that EPA has received a number of objections to its idea but told a reporter "we think it has some merit."

Additional Facts

The proposal

The EPA is considering allowing gasoline with 15 or 20 percent ethanol, blends called E15 or E20, in newer cars but not in others. Ten percent ethanol is now the limit for conventional cars.

Pros:

- Creates a bigger market for ethanol.
- Makes it easier to meet federal ethanol usage mandates.
- Saves government testing costs.

Cons:

- Consumers might put E15 and E20 into vehicles not approved for it, or into boats and power equipment, which could be damaged by the fuel.
- Emissions control equipment could be harmed.
- Ethanol could get a black eye from misuse of E15 or E20.
- Car makers, refiners, engine manufacturers could be sued for fuel damage.

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9) LAWMOWER CLASS ACTION SHIPPED TO MILWAUKEE

WASHINGTON – February 27 -- Judges in Washington plucked a new class action over lawnmowers from federal court in Charleston and shipped it to Wisconsin.

On Feb. 5, the U.S. Judicial Panel on Multidistrict Litigation added the West Virginia suit to 42 similar suits before U.S. District Judge Lyn Adelman in Milwaukee.

The suits allege that manufacturers and retailers overstated the horsepower of lawnmower engines.

The West Virginia suit seeks damages from Sears Roebuck, John Deere, Tecumseh Products, Briggs and Stratton, Kawasaki Motors, MTD Products, Toro, American Honda, Electrolux Home Products, Kohler Company, Platinum Equity and Husqvarna Outdoor Products.

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Kristofer Cormany of Charleston filed the suit at U.S. District Court on Jan. 6, on behalf of John Lilly of Charleston.

Six Minnesota lawyers and one from Pennsylvania added their names to the suit.

Lilly bought a Yard Machines mower at K-Mart in Charleston for \$158.99 in 2001, according to the complaint.

"Plaintiff and members of the proposed class paid more for their lawnmowers than they would have paid absent Defendants' unlawful conduct," Cormany wrote.

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10) BLOUNT ANNOUNCES 2008 4th QUARTER AND FULL YEAR RESULTS, 2009 FINANCIAL OUTLOOK

- Sixth consecutive year of record sales achieved for the Outdoor Products segment
- Full year operating income increased by 8.4% from 2007 to \$87.5 million
- Full year income from continuing operations increased by 20.8% from 2007 to \$38.8 million (\$0.81 per diluted share)

PORTLAND, Ore., March 3 -- Blount International, Inc. today announced results for the fourth quarter and year ended December 31, 2008.

Results for the Quarter Ended December 31, 2008

The Company's sales in the fourth quarter were \$133.8 million, compared to \$131.8 million in 2007, a 1.5% increase. Sales contributed by the Carlton business acquired in May of 2008 more than offset sales declines experienced elsewhere in the Company.

Operating income was \$19.2 million compared to \$21.2 million in the fourth quarter of 2007. The reduction in year-over-year profitability was driven by lower sales volumes and higher steel costs. These adverse factors were partially offset by improved pricing and the favorable year-over-year impact from foreign currency exchange rates.

Fourth quarter income from continuing operations was \$6.8 million (\$0.14 per diluted share) compared to \$8.9 million (\$0.19 per diluted share) in the fourth quarter of 2007. A higher effective income tax rate in this year's fourth quarter resulted in a reduction in net income of \$2.8 million (\$0.06 per diluted share) from 2007.

In the fourth quarter of 2008, the Company incurred higher international taxes due to increased taxable income at our foreign subsidiaries combined with a sharply stronger U.S. dollar which caused a significant reduction in the tax benefit from the Company's foreign operations.

Full Year Results

Sales in 2008 were \$597.0 million compared to \$515.5 million in 2007. This represents a 15.8% increase, with approximately half of the growth related to the acquisition of Carlton. Growth was experienced in both domestic and international markets compared to the prior year. In 2008, approximately 66% of the Company's sales were outside the United States, up from 64% in 2007. The increase in the overall proportion of international sales is primarily attributable to Carlton.

Operating income in 2008 was \$87.5 million compared to \$80.7 million in 2007, an 8.4% increase. The year-over-year fluctuations in foreign currencies resulted in a \$5.2 million reduction in operating income compared to 2007. Unfavorable steel costs reduced operating income by \$7.9 million compared to 2007. These impacts were more than offset by volume and price increases compared to 2007. Income from continuing operations in 2008 was \$38.8 million (\$0.81 per diluted share) compared to \$32.1 million (\$0.67 per diluted share) in 2007.

Commenting on the 2008 results; James S. Osterman, Chairman and Chief Executive Officer, stated, "Although we are pleased with our full year results, our fourth quarter performance reflects the difficult global economic environment in which we currently operate. In the fourth quarter, we experienced a slowdown in sales from our international customer base for the first time in nearly three years.

Domestic sales growth in the quarter, aided by storm activity, helped to dampen the effect of the international slowdown. However, international and OEM customers continue to be impacted by the strong U.S. dollar and the economy and have remained cautious about inventory levels as they entered 2009.

We expect 2009 to be a challenging year for the Company. Although we should see some healthy operating margin relief from foreign currency exchange rates and commodity costs, we expect comparable unit volumes to decline in the first half of 2009 from 2008. Accordingly, we have implemented several cost control actions to minimize the impact of the unit volume decline.

To date we have initiated the permanent closure of a manufacturing facility, reduced worldwide headcount by approximately 8% and have frozen certain salaries. As in prior downturns, we expect to generate free cash flow to be utilized for debt reduction."

Outdoor Products Segment

The Outdoor Products segment's fourth quarter sales were \$126.8 million, an increase of just under 1% from last year. Excluding the impact of the Carlton acquisition, sales decreased by 10.8% from the fourth quarter of 2007. International sales were 66% of total segment sales and, exclusive of Carlton, were down 17.6% from last year.

Excluding Carlton, the year-over-year decline in sales was driven primarily by decreased volumes. Foreign exchange rates additionally drove sales lower. The impacts of volumes and currency were offset by the addition of Carlton and price increases implemented during 2008. The key drivers of the overall increase in Outdoor Products segment fourth quarter sales are estimated below:

Selling Price/Mix	+5.7 %
Unit Volume	(14.9)%
Foreign Exchange	(1.6)%
Carlton Sales	+11.7 %

Total increase in Sales	+0.9 %
	=====

Sales order backlog for the segment was \$98.9 million at December 31, 2008 compared to \$63.3 million at the end of last year. December 31, 2008 backlog includes \$31.2 million related to Carlton.

Segment contribution to operating income was \$22.1 million in the fourth quarter compared to \$24.5 million in the fourth quarter of 2007, a 9.8% decrease. Segment contribution margin as a percentage of sales was 17.4% compared to 19.5% in last year's fourth quarter. The decrease in segment contribution and margin reflects a decline in sales volumes and higher steel costs partially offset by improved pricing and foreign currency exchange rate impacts. Steel costs were approximately \$4.2 million higher as compared to the fourth quarter of 2007.

The year-over-year fluctuations in foreign currencies resulted in a \$2.3 million improvement in segment contribution compared to the fourth quarter of 2007. The majority of the foreign currency impact was related to a rapid decline of the Brazilian real and Canadian dollar exchange rates in the fourth quarter of 2008 and the resulting effect on the Company's

costs. In the fourth quarter of 2008, the Brazilian and Canadian currencies were 22% and 19% weaker than the fourth quarter of 2007, respectively. The key drivers of the operating margin decline are estimated below:

2007 Fourth Quarter Operating Margin	19.5 %
Increase/(Decrease)	
Selling Price/Mix	4.4 %
Unit Volume	(3.2)%
Costs/Mix	(5.0)%
Carlton Acquisition Charges	(0.6)%
Foreign Exchange	2.3 %
Total Change	-----
	(2.1)%

2008 Fourth Quarter Operating Margin	17.4 %
	=====

Other Operations and Corporate Expense

In the fourth quarter, contribution to operating income from other and corporate expense totaled a loss of \$2.9 million compared to a loss of \$3.3 million last year. The improvement from last year was driven primarily by an improvement in year-over-year profit from the sales of gear components, partially offset by a slight increase in Corporate-related expenses.

2009 Financial Outlook

The Company's outlook for 2009 is for a volume-driven decline in sales along with a related reduction in operating income as compared to 2008. Sales are expected to decrease from 6% to 15% to between \$510 million and \$560 million. Weak market conditions are expected to continue globally at least through the first half of 2009.

Operating income is estimated to range between \$65 and \$75 million, with the expected continuation of favorable foreign currency trends offsetting some of the impact of lower unit volumes. Included in the operating income range is between \$6 million and \$7 million in expenses related to the closure of the Milan, Tennessee production facility and severance for positions eliminated at the Company's other locations.

Cash flow available for debt repayment is expected to be between \$25 million and \$30 million in 2008. The effective income tax rate for 2009 is estimated to be between 37% and 39%.

Blount International, Inc. is an international company operating one principal business segment, the Outdoor Products segment. Blount sells its products in more than 100 countries around the world.

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11) MOODY'S CUTS RATING ON BRIGGS & STRATTON

Associated Press

March 4 -- Moody's Investors Service cut its ratings on engine and power tool maker Briggs & Stratton Corp. further into junk territory Wednesday because of the nation's economic downturn.

Moody's lowered the Milwaukee-based company's corporate family and probability of default ratings to "Ba3" from "Ba2," three levels below junk status.

Moody's has a negative outlook on the ratings.

Briggs & Stratton gets about three-quarters of its revenue from U.S. sales. But Moody's said a shift toward smaller engines and products like walk-behind lawnmowers from more expensive riding models will likely cut into profits.

Meanwhile, investors expect demand for pressure washers to fall and currency fluctuations to impact revenue from Europe.

Approximately \$247 million of debt is affected by the ratings cut.

12) 2009-2010 INDUSTRY EVENTS CALENDAR

2009-2010 OPE INDUSTRY MEETING AND EVENTS CALENDAR	
January 19-21, 2010	<u>BTME-BIGGA</u> , British Turf Management and the British International Golf & Greenkeepers Association Show, Harrogate International Center, England
February 2-5, 2010	<u>World of Concrete</u> , Las Vegas Convention Center, Las Vegas, NV
February 8-11, 2010	<u>The Rental Show</u> , American Rental Association Conference and Trade Show, Georgia World Congress Center, Atlanta, Georgia
February 10-11, 2010	<u>GIS</u> , Golf Industry Show, San Diego Convention Center, San Diego, CA
February 13-16, 2010	<u>OPEAA</u> , Outdoor Power Equipment Aftermarket Association Annual Meeting, Fairmont Southampton Hotel, Bermuda
February 28 - March 3, 2010	<u>OPEESA</u> , Outdoor Power Equipment and Engine Service Association, Wigwam Resort, Phoenix, AZ
March 8, 2009	<u>Daylight Savings Time Begins</u>
April 16-18, 2009	<u>EETC</u> , Equipment and Engine Training Council 13 th Annual Conference, Monarch Hotel, Clackamas (Portland,) Oregon, Co-Sponsored by Shindaiwa and Oregon Cutting Systems
May 5-7, 2009	<u>National Hardware Show</u> , Las Vegas Convention Center and Sands Convention Center
June 21-27, 2009	<u>Skills USA</u> , National Leadership and Skills Conference, Kansas City, Missouri
June 25-27, 2009	<u>OPEI</u> , Outdoor Power Equipment Institute Annual Meeting, Ritz-Carlton Reynolds Plantation, Greensboro, GA.
GAFA not offered in 2009	<u>GAFA (with SPOGA)</u> , International Garden Trade Fair with the International Trade Fair for Sport, Camping and Garden Lifestyle, Cologne, Germany
September 8-10, 2009	<u>IOG SALTEX</u> , Grounds Care, Sports Facilities, Amenities, Landscaping And Estate Management Outdoor Trade Show, Windsor Race Track, Windsor, Berkshire, England
September 20-22, 2009	<u>GLEE</u> , International Garden and Leisure Show, NEC Birmingham, England
October 29-31, 2009	<u>GIE+EXPO</u> , Green Industry and Equipment Expo, Louisville, KY (combining EXPO and the GIE Show)
October 21-24, 2009	<u>FFA</u> , Future Farmers of America Annual Convention, Indianapolis, IN
November 1, 2009	<u>Daylight Savings Time Ends</u>

13)

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