

OPEESA'S

Outdoor Power Equipment and Engine Service Association

OPE-IN-THE-KNOW

"The Business of Outdoor Power Equipment"

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1) SELL THROUGH LOCAL STORES, STIHL EXEC SAYS
www.billingsgazette.com

March 23 -- With a quiet wit and plenty of stories and statistics, Fred Whyte, president of Stihl Inc., invited business students at Montana State University Billings Wednesday to ignore conventional business advice.

Rather than focusing on a single key skill and hiring everything else out, Whyte advised students to: Stay vertically integrated, build and sell your own products.

Offer service and promote safety.

Plan long term.

And his biggest heresy: Sell your products through locally owned stores. Spurn the big-box retailers.

Stihl, a global company that leads U.S. sales of hand-held, gas-powered outdoor tools, can support those claims. Based in a suburb of Stuttgart, Germany, Stihl remains privately owned, carries no bank debt and does business in 160 countries. Retailers selling the 240 models, including chain saws and weed trimmers, must be locally owned and push training, safety and service.

"We do not sell to anyone who doesn't offer service," Whyte said.

Stihl manufactured 1 million products in 1997, and last fall made 40 million units. Twenty-five laser-controlled robots carry raw materials to the assembly line at the massive Virginia Beach, Va., plant.

Through numerous color print ads per year, the company brags that customers can't buy a Stihl chain saw at a big-box store.

Selling through the giant retailers can begin a vicious cycle, Whyte said. The mega-companies keep cutting your price. So you are forced to cut quality, eventually losing your profit margin and possibly your reputation for making a good product, he said. "Walmart has made us all much better retailers," Whyte said.

But even Walmart, with \$405 billion in yearly sales, has its problems. Walmart stores in business a year or longer have suffered seven consecutive quarters of declining sales, he said.

Levi's jeans, designed during the California Gold Rush days, had 60 U.S. plants until it started selling through Walmart, Whyte said. The demand for lower and lower prices and the unanticipated refusal of younger people to buy their jeans at Walmart eventually forced Levi's to close all 60 U.S. manufacturing plants, he said.

Stihl had enjoyed 17 back-to-back years of record sales until 2009 when the recession cut revenues 8 percent. Sales returned to record levels last year, and this year is looking pretty good, he said. U.S sales run \$1.1 billion per year.

Whyte gave five executive-in-residence lectures at the Montana State University Billings College of Business and is visiting seven local retailers, including Billings Hardware and the Ace Hardware stores. The Stihl story was featured in a 2010 book co-authored by Tim Wilkinson, interim dean for the MSU Billings Business College: "The Distribution Trap: Keeping Your Innovations from Becoming Commodities."

The pair apparently hit it off, convincing Whyte to make a rare college appearance.

"What I like about Stihl is they care about quality and they care about people and they work through a small family business," Wilkinson said.

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2) EPA DECISION TO PERMIT HIGHER ETHANOL LEVELS IN GASOLINE TRIGGERS TRADE GROUPS' FILING OF PETITION TO MANDATE THE CONTINUED AVAILABILITY OF E10 FUEL

WASHINGTON, Mar 23, 2011 -- Auto, marine, motorcycle, outdoor power equipment, personal watercraft and snowmobile groups filed a petition today asking the Environmental Protection Agency (EPA) to ensure the continued sale and availability of gasoline blends of no greater than 10 percent ethanol (E10) for the 400 million engine products used by tens of millions of people every day in the U.S. These products were not designed, built or warranted to run on any fuel containing more than ten percent ethanol. The groups are concerned that retailers are not prepared to offer both E10 and E15 at their stations, and given the choice, may opt to offer E15 only.

"Misfueling is our prime concern, and we foresee that consumers will be forced to fuel with E15 unless EPA requires stations to carry both legacy (E10) and new E15 fuels," said Kris Kiser, speaking on behalf of the organizations. "Many stations may not be equipped to accommodate an additional fuel, leading them to choose between E15 and E10 fuels -- and E15 will likely win out since it may be more profitable for them to carry. This means consumers might have no choice but to fuel with E15, and there will be little to prevent them from misfueling when they come in with a lawnmower, chainsaw, motorcycle, snowmobile, boat or older car."

The organizations point out that EPA's prior experience with fuel transitions and misfueling demonstrates that labeling alone is insufficient to prevent misfueling. In 1974, as EPA led the transition to unleaded fuels, the Agency reported a misfueling rate of 15 percent over ten years after the introduction of unleaded gasoline.

The petition for rulemaking, filed with the U.S. EPA, says that with a partial waiver ruling, EPA cannot assure E10 fuel will be available for legacy fleet, and therefore, the petitioners request that EPA, consistent with prior precedent, ensure continued consumer choice by requiring the continued sale of gasoline blends of no greater than E10 fuel.

The petition says that EPA must assure continued availability of E10 for three specific reasons.

- There is a strong potential that the reduced volume of E10 fuel required in the marketplace might result in the elimination of supply, further eroding the availability of a fuel needed for millions of off-road, small engine equipment,
- EPA must create legal obligations that ensure that the conditions on which the waivers were based can be fulfilled, and
- EPA has enough evidence that emission control devices would be significantly "impaired" by E15 to support a requirement for E10.

A detailed fact sheet on the joint petition filing can be found at: <http://members.opei.org/news/detail.dot?id=12146>

Background

Growth Energy, an ethanol industry trade group, petitioned the EPA in March 2009 to raise the limit on ethanol in gasoline from 10 to 15 percent. Several engine product and auto manufacturers as well as others urged EPA to be deliberative in its review process, assuring thorough and adequate testing to assure that E15 would not harm existing products or pose safety risks. By approving E15 use in a small subset of engines on the road, there is a high risk that consumers will unknowingly or mistakenly put E15 in products for which it has not been approved.

About Global Automakers

The Association, formerly known as AIAM, serves as the voice of international automobile manufacturers in the United States. Today, it represents the U.S. subsidiaries of 15 motor vehicle manufacturers who produce 40 percent of all vehicles built in America and also account for 40 percent of total U.S. auto sales. For more information, visit www.globalautomakers.org.

About ISMA

The International Snowmobile Manufacturers Association - is a non-profit organization representing the four snowmobile manufacturers (Arctic Cat, BRP, Polaris, and Yamaha.) The organization and its members support and interact with

customer (enthusiast) associations throughout the world in protecting and promoting recreational public access for snowmobilers and in supporting and promoting safe, responsible snowmobile behavior. The organization interacts with government agencies worldwide in advocating responsible regulation and positive market oriented standards.

About Motorcycle Industry Council

The Motorcycle Industry Council exists to preserve, protect and promote motorcycling through government relations, communications and media relations, statistics and research, aftermarket programs, development of data communications standards, and activities surrounding technical and regulatory issues. As a not-for-profit, national industry association, the MIC seeks to support motorcyclists by representing manufacturers and distributors of motorcycles, scooters, motorcycle/ATV/ROV parts and accessories, and members of allied trades such as insurance, finance and investment companies, media companies and consultants.

The MIC is headquartered in Irvine, Calif., with a government relations office adjacent to Washington, D.C. First called the MIC in 1970, the organization has been in operation since 1914. Visit the MIC at www.mic.org.

About NMMA

National Marine Manufacturers Association (NMMA) is the leading association representing the recreational boating industry in North America. NMMA member companies produce more than 80 percent of the boats, engines, trailers, accessories and gear used by boaters and anglers throughout the U.S. and Canada. For more information, visit www.nmma.org.

About OPEI

OPEI is an international trade association representing more than 80 engine and equipment manufacturers worldwide in the utility, forestry, landscape, and lawn and garden industry. OPEI is a recognized Standards Development Organization for the American National Standards Institute (ANSI) and active internationally through the International Standards Organization (ISO) in the development of safety standards. For more information, visit www.OPEI.org.

About ROHVA

The Recreational Off-Highway Vehicle Association is a national industry organization that promotes the safe and responsible use of ROVs. ROHVA is accredited by the American National Standards Institute (ANSI) to develop equipment, configuration and performance standards. Based in Irvine, Calif., the not-for-profit association is sponsored by Arctic Cat, BRP, Kawasaki, Polaris and Yamaha. For more information visit ROHVA.org.

About SVIA

The Specialty Vehicle Institute of America(R) promotes the safe and responsible use of all-terrain vehicles through rider training, public awareness campaigns and state legislation. Additionally, the SVIA works to preserve access to off-road lands and expand riding opportunities. The SVIA is a resource for ATV research, statistics and vehicle standards. Accredited by the American National Standards Institute (ANSI), the SVIA develops standards for the equipment, configuration and performance requirements of ATVs.

Based in Irvine, Calif., the SVIA is a not-for-profit industry association sponsored by Arctic Cat, BRP, Honda, Kawasaki, KYMCO, Polaris, Suzuki, Tomberlin and Yamaha. Visit the SVIA online at www.svia.org. For safety information or to enroll in the ATV RiderCourse(SM)nearest you, visit www.atvsafety.org or call (800) 887-2887.

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3) KAWASAKI MOTOR RECALLS BACKPACK BLOWERS DUE TO FIRE HAZARD

WASHINGTON, D.C. – March 17 --The U.S. Consumer Product Safety Commission and Health Canada, 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. It is illegal to resell or attempt to resell a recalled consumer product.

Name of Product: Gasoline-Powered Backpack Blowers

Units: About 3,400 in the United States and 100 in Canada

Importer: Kawasaki Motor Corp. U.S. A., of Irvine, Calif.

Hazard: The gasoline tank can split and leak fuel, posing a fire hazard to consumers.

Incidents/Injuries: No incidents or injuries have been reported.

Description: This recall involves gasoline-powered blowers sold under the Kawasaki brand name. Model and serial numbers are printed on the product's blower housing. Backpack blowers included in this recall have a white, translucent fuel tank. The following model blowers are included in this recall:

Model	Serial
KRB750A-A4	12907 12955 12980 12985 12996 13051 13054 13063 13103 13113 13116 13117 13119 13120 13121 13124 13130 13131 13132 13133 13134 13135 13137 13138 13140 13141 13142 13145 13147 13152 13159 13192 13193 13246 13247 13248
KRB750B-A3, KRB750B-A4, KRB750B-A5 KRB750B-B1 (Canada Only)	10380 to 11339, 11628 to 12107, 12156 to 12635, 13380 to 13529, 13536 to 13543, 13548 to 13859, 14077 to 14388, 14390, 14398 to 14400, 14411 to 14556

Sold by: Authorized service dealers nationwide from August 2008 through February 2011 for between \$420 and \$490.

Manufactured in: Japan

Remedy: Consumers should immediately stop using the recalled products and return them to the nearest dealer for a free replacement fuel tank.

Consumer Contact: For additional information, contact Kawasaki Motor toll-free at (877) 364-6404 between 8 a.m. and 6 p.m. ET Monday through Friday or visit the firm's website at www.kawpowr.com. Consumers can also write to the firm at: Kawasaki Motor Corp. U.S.A. Consumer Service Department, 5080 36th St. SE, Grand Rapids, Mich. 49546.

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4) MARUYAMA U.S. RECALLS BACKPACK BLOWERS AND MISTER DUSTERS DUE TO FIRE HAZARD

WASHINGTON, D.C. – March 17 -- The U.S. Consumer Product Safety Commission and Health Canada, 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. It is illegal to resell or attempt to resell a recalled consumer product.

Name of Product: Gasoline-Powered Backpack Blowers and Mister Dusters

Units: About 18,000 in the United States and 750 in Canada

Importer: Maruyama U.S. Inc., of Denton, Texas

Hazard: The gasoline tank can split and leak fuel, posing a fire hazard to consumers.

Incidents/Injuries: Maruyama has received 25 reports of leaking tanks. No injuries have been reported.

Description: This recall involves gasoline-powered blowers and mister dusters sold under the Maruyama brand name. Model numbers are printed on the product's recoil starter. Backpack blowers and mister dusters included in this recall have a white, translucent fuel tank. Model and serial numbers included in the recall are:

Model Number	Serial Number
BL5100CA	30821911 - 60922200
BL5100-SP	80924201 - 80924650
BL5100-HA	51021391 - 81021310
BL8200	50920961 - 80924200
BL8200-HA	70925031 - 90921910
BL8101	10921151 - 10922150
MD155DX-US	90922861 - 90924610
MD155DX-US	O0920231 - O0920530
MD155DX-CA2	O0920531 - O0921130
MD159D	60822621 - 80821300

Sold by: Authorized service dealers nationwide from April 2008 through December 2010 for between \$320 and \$820.

Manufactured in: Japan

Remedy: Consumers should immediately stop using the recalled products and return them to the nearest dealer for a free replacement fuel tank.

Consumer Contact: For additional information, contact Maruyama toll-free at (866) 783-7400 between 8:30 a.m. and 4:30 p.m. CT Monday through Friday or visit the firm's website at www.maruyama-us.com

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5) EXMARK RECALLS PIONEER S-SERIES MOWERS DUE TO CRASH HAZARD

The following product safety recall was voluntarily conducted by the firm in cooperation with the CPSC. Consumers should stop using the product immediately unless otherwise instructed. It is illegal to resell or attempt to resell a recalled consumer product.

Name of Product: Exmark Pioneer S-Series riding mowers

Units: About 750 products

Manufacturer: Exmark Manufacturing Company, of Beatrice, Neb.

Hazard: Welds on the motion control linkage can fail and cause the driver to lose control of the machine, resulting in a crash hazard.

Incidents/Injuries: Exmark has had no reports of incidents or injuries.

Description: 2011 Exmark Pioneer S-Series zero radius turn riding mowers with red, welded, tubular steel frames and mowing decks in three sizes - 44, 48 and 52 inches. Operators use two levers to control the mowers. The name Exmark is on the front of the seat mount and the name Pioneer is on the front of the floor pan. Mowers with the following model and serial number ranges are affected by this recall:

Model	Serial Number Range
PNS20KA443	928367 to 947833
PNS22KA483	928417 to 949985
PNS24KA523	928492 to 950315

The model name and serial numbers are located on the seat mount near where the driver's right foot rests on the floorpan.

Sold by: Exmark dealers nationwide from February 11, 2011 to March 10, 2011 for \$6,881 to \$7,658.

Manufactured in: United States

Remedy: Consumers should contact their Exmark dealer to have the improperly welded parts replaced.

Consumer Contact: For additional information, contact Exmark at 800-667-5296, between 6 a.m. and 6 p.m. CT, Monday through Friday, or visit the firm's website at: www.exmark.com

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6) MOWERS RECALLED BY THE TORO COMPANY DUE TO INJURY HAZARD

MOWERS RECALLED BY THE TORO COMPANY DUE TO INJURY HAZARD

MARCH 30, 2011 THE FOLLOWING PRODUCT SAFETY RECALL WAS VOLUNTARILY CONDUCTED BY THE FIRM IN COOPERATION WITH THE CPSC AND HEALTH CANADA. CONSUMERS SHOULD STOP USING THE PRODUCT IMMEDIATELY UNLESS OTHERWISE INSTRUCTED. IT IS ILLEGAL TO RESELL OR ATTEMPT TO RESELL A RECALLED CONSUMER PRODUCT.

NAME OF PRODUCT: TORO Z MASTER ZRT MOWERS

UNITS: ABOUT 3700 U.S. AND 109 CANADA

MANUFACTURER: THE TORO COMPANY, BLOOMINGTON, MINN.

HAZARD: MOWERS WITH THE OPTIONAL DELUXE SEAT HAVE AN OPERATOR PRESENCE SWITCH BUILT INTO THE SEAT THAT MAY ACTIVATE THE MOWER WHEN THE OPERATOR VACATES THE SEAT, POSING AN INJURY HAZARD FROM THE BLADE TO THE OPERATOR AND ANYONE IN THE VICINITY OF THE MOWER.

INCIDENTS/INJURIES: TORO HAS RECEIVED ONE REPORT OF A FOOT LACERATION.

DESCRIPTION: THESE MOWERS ARE LARGE COMMERCIAL DUTY ZRT (ZERO RADIUS TURN) MOWERS WITH 52" TO 72" CUTTING DECKS. THEY HAVE LIGHT GRAY SEATS WITH AN ADJUSTMENT KNOB IN THE FRONT OF THE BOTTOM OF THE SEAT.

Model Numbers	Serial Numbers
74264	260000001-260999999
74265	260000001-260999999
74266	270000001-280999999
74267	270000001-280999999
74274	270000001-280999999
74253	270000001-280999999
74254	270000001-280999999

Sold at: Toro dealers in the U.S. and Canada from September 2005 through January 2011 for prices ranging from \$13,000 to 17,000.

Manufactured in: United States

Remedy: If your machine has the optional deluxe seat installed, which is light gray with adjustment knob on the front, contact Toro to have modification instructions sent to you. Consumers can make that modification themselves, or contact any Toro Dealer to have it completed for them at no charge.

Consumer Contact: For additional information, contact Toro at (866) 946-3109, in the U.S. and Canada, between 8 a.m. and 4:30 p.m. CT Monday through Friday or visit the firm's website at www.Toro.com

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7) THOUGHTS FOR THE DAY

THE POWER OF A FEW WORDS

"It's amazing, some people,
they just say these small little things,
One sentence and it changes the way you feel about them in an instant.
Small little words that can hurt you so much
Or make you fall deeply in love forever.
It changes everything,
Nothing between you is every really the same again,
Even if they don't know it."

-- Unknown

CARING

Too often we underestimate the power of a touch,
a smile, a kind word, a listening ear, an honest compliment,
or the smallest act of caring,
all of which have the potential to turn a life around.

- Leo Buscaglia

FUTURE

The best way to predict the future
is to invent it.

- Alan Kay

WORK

Everything comes to him
who hustles while he waits.

- Thomas Alva Edison

LIFE'S DISAPPOINTMENTS

Life's disappointments are harder to take,
When you don't know any swear words.

- Calvin and Hobbes

PERFECTION

The thing that is really hard, and really amazing,
Is giving up on being perfect and
Beginning the work of becoming yourself.

- Anna Quindlen

COURAGE

Courage is not the absence of fear,
but rather the judgment that something else
is more important than fear.

- Ambrose Redmoon

GIVING

The fragrance always stays
in the hand that gives the rose.

- Hada Bejar

CHOICES

The winds and waves
are always on the side
of the ablest navigators.

- Edward Gibbon

BEST HUSBAND

An Archaeologist is the best husband a woman can have.
The older she gets the more interested he is in her.

-- Agatha Christie

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8) RECOVERING FROM A WICKED WINTER'S WRECKAGE www.online.wsj.com

March 30 -- After a season of record snowfalls and lengthy cold spells in many parts of the country, homeowners are finding their houses and landscapes unusually battered. Blizzards, wind and errant snowplows have conspired to make this spring one of long recovery, leading to an early sales uptick for the yard and home-repair industry.

"Many people will see the worst lawn this spring and summer in the history of their lives," says Jackson Madnick, founder of Wayland, Mass.- based Pearl's Premium Inc., which packages and sells its own grass-seed blend. Looking at ornamental-plant damage over the past 15 years, this winter ranks in the "top five," says Doug Erickson, an arborist with Bedford Hills, N.Y.-based landscape service SavATree.

Even with snow still falling this past week in parts of the Northeast and Midwest, consumers already are gearing up for spring cleaning. Preliminary 2011 orders of gasoline-powered outdoor power tools have been very strong, according to the Outdoor Power Equipment Institute, a trade organization, spurred partly by homeowner landscape repair.

Makers of handheld battery and plug-in outdoor tools, including Black & Decker and Neuton, say spring sales are up 10% to 20% on items such as chain saws, wood splitters and pole saws for trimming damaged limbs. Home Depot Inc. cites "high single-digit" percentage sales gains of roof-repair materials from this time last year.

Kathleen Hassinger and Brandon Halbert in Wynnewood, Pa., are among those whose home sustained multiple winter wounds. Ice dams damaged their 100-year-old home's slate roof and left new gutters "twisted like a piece of tinfoil," says Ms. Hassinger. Snow sliding off the roof broke branches on shrubs while gutter runoff wore bare spots into the lawn. Ms. Hassinger says they'll be spending about \$1,000 for roof and gutter repair, and she's rethinking placement of plants and downspouts for next year.

Before regular spring fertilizing and thatch removal, watch out for snow mold, a fungal disease appearing in circular patches of pink, gray or white hues. It takes hold after extended periods of snow cover, sometimes on grass left unmowed or buried under leaves before winter set in.

"The first thing I'd do is rake up any matted leaves and any patches of grass that have a bleached-out look and are stuck together," says Ashton Ritchie, lawn and horticultural expert and spokesman for Scotts Miracle-Gro Inc. "You want to break that up to expose the crown of the grass plant to sunlight." The first mow, he adds, shouldn't be a "scalp" job but rather set the mower no more than one notch lower than regular mowing height. Turf suffering the double whammy of last summer's drought followed by heavy snow may require the laying of new grass seed on top of existing grass—known as over-seeding, says Mr. Madnick of Pearl's Premium. "Many lawns may be weakened and susceptible to bugs, mold and other problems."

At Andrew Gadaleta's home in Elkins Park, Pa., 1,500 square feet of lawn were wiped out by drainage from melting snow. He's using Snow Joe LLC's "Tiller Joe" electric garden tiller to rework topsoil with compost and reseed the area. Sales of the company's tillers are up 33% so far this year.

Calls for help with bent, broken or misshapen plants are already pouring in to Arlington, Mass., landscape designer Laura Kuhn. "The snow came so early and there was so much that people couldn't make it out to shake the snow off the plant and are calling me guiltily," she says. Frequent plowing wrecked shrubs and grass near driveways too.

First step: triage. Ms. Kuhn recommends pruning broken limbs flush to the branch's collar as soon as possible. If limbs are cracked or twisted, they might be salvaged using small hardware such as a carriage bolt to draw them back together, says Mr. Erickson of SavATree.

For shrubs like boxwoods misshapen from the weight of ice and snow, he advises temporarily tying plants together with twine or rope made from jute fiber, or propping them up for the season with the crotch of another fallen branch. Those are victims to what gardeners call girdling, when winter-starved animals chew off a ring of bark where the plant peeks above the snow, may require replacement.

Be patient with plants like rhododendrons with brown leaves, Ms. Kuhn says. "Don't start hacking. Wait to see if buds will break in a few weeks."

Piling several inches of compost, topsoil, mulch or straw around plants can help stabilize their soil from melting runoff, says Susan Murphy, a landscape designer in Weston, WI.

Think about next winter now. Record where snow gets piled from shoveling and reevaluate if plants are in the right spot. Broken limbs, fallen trees and moisture make a feast for invasive pests such as termites and carpenter ants.

"They haven't had a lot of food to eat and as it gets warmer, they will have a tenacious appetite," says Bob Young, a manager with pest service Terminix International Co.

Minimizing wetness and woody material such as mulch and leaves around a home's foundation can help. Mr. Young advises routing gutter downspouts far from the home and keeping them clean. As for felled trees and branches—"those are evil," he adds. Remove or mulch debris and keep it away from the house. Signs of termite activity include dead winged insects and mud tubes running up foundation walls.

It was a banner year for ice dams, which typically build along roof eaves in periods of extended cold, causing leaks and other damage.

Not only is the resulting moisture inside a roof or wall "like putting gravy on meat" for carpenter ants and termites, Mr. Young says, it can lead to longer-term woes like mold.

Replacing wet drywall and insulation is top priority. Also, fix broken gutters and shingles.

"You're going to see gutters where exceptionally heavy snow storms separated them" from the house, says David Dail, Home Depot's merchandising vice president for building materials.

"A leaky roof is pretty much something you've got to deal with," he says.

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9) PROBLEMS AT ORANGEBURG HURT HUSQVARNA'S 1Q RESULTS

www.appliancemagazine.com

Apr 11, 2011 -- Husqvarna's Orangeburg, SC riding mower manufacturing campus has had significant problems in recent months, and those problems had a direct impact on the company's bottom line in the first quarter of 2011.

Orangeburg is dealing with an "increase in material complexity" at the same time it is trying to assimilate the production from the recently closed Beatrice, NE plant and accommodate an ambitious number of new product launches.

Husqvarna said it has made fixes and production did increase gradually during the first quarter - but so did the costs associated with this fixes. Production output should increase into the second quarter but higher manufacturing costs will be higher throughout the season.

Husqvarna is one of the world's biggest makers of outdoor power equipment and the Orangeburg plant primarily produces riding lawn mowers for the North American market; some exports go to Europe and other global markets.

Husqvarna said first quarter 2011 sales and operating income for the Americas were lower than had been expected as a result of the Orangeburg problems.

For the Husqvarna Group as a whole, adjusted sales were up 6% and adjusted operating income was up 7% when compared to 1Q 2010. Net sales for the group in 1Q 2011 were SEK 8,774 million (approx. US\$1400 million) compared to SEK 9,082 million in 1Q 2010. Adjusted for exchange rates sales increased by 6% or by approximately SEK 490 million. Operating income for the group amounts to SEK 662 million, compared to 778 million in 1Q 2010. Adjusted for exchange rates income increased by 7% or approximately SEK50 million.

Net sales for Europe & Asia/Pacific amounted to SEK 4,541 million in 1Q 2011, compared to SEK 4,459 million in 1Q 2010. Adjusted sales increased 10% or by approximately SEK 400 million. Operating income for Europe & Asia/Pacific was SEK 815 million, compared to last year's SEK 732 million. Adjusted operating income increased 32% or by approximately SEK200 million.

Net sales for the Americas were SEK 3,588 million in 1Q 2011, down from SEK 4,028 million in 1Q 2010. Adjusted for exchange rate effects sales were flat. Operating income for Americas amounts to SEK -94 million in 1Q 2011, compared to SEK 81 million in 1Q 2010. Adjusted for exchange rates, income declined by approximately SEK -175 million.

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10) HUSQVARNA REPORTS 1ST QUARTER RESULTS

Magnus Yngen, President and CEO: "The year started off with strong demand in the North American market and we have a strong product line-up to meet the growing demand. However, we have not been able to capitalize on this due to production disturbances in our largest plant in North America. The disturbances negatively affected shipments and increased costs significantly. Costs were approximately SEK 150m higher, whereof the majority in March. We are taking measures in order to resolve the situation and to minimize the impact for our customers but we will continue to have high costs throughout the season.

For the total Husqvarna Group, sales and operating income adjusted for exchange rate effects and items affecting comparability, increased by 6 and 7 percent respectively, compared to the first quarter previous year. The year started off with significantly higher order intake compared to last year. Europe & Asia/Pacific delivered strong results as a result of higher sell-in and a positive mix development. Construction continued its steady improvement in sales, earnings and margin. As a consequence of the disturbances, operating income for Americas was negative in the first quarter."

- Net sales amounted to SEK 8,774m (9,082) and operating income to SEK 662m (778). Income for the period amounted to SEK 484m (535), or SEK 0.84 (0.92) per share.
- Changes in exchange rates had a negative effect on operating income of approximately SEK -171m.
- Net sales and operating income for the Group, adjusted for exchange rate effects and items affecting comparability, increased by 6% and 7% respectively.
- Net sales and operating income for Americas was negatively affected by production disturbances.
- Higher volumes and a positive mix contributed to improved sales and operating income for Europe & Asia/Pacific.
- Construction was charged with costs amounting to SEK 40m relating to the closure of a production facility

FIRST QUARTER

NET SALES

Net sales for the first quarter amounted to SEK 8,774m (9,082). Adjusted for exchange rate effects, sales increased by 6% or by approximately SEK 490m. Sales prices increased slightly. Europe & Asia/Pacific accounted for an adjusted sales increase of approximately SEK 400m or 10%, Americas' adjusted sales were flat and Construction's adjusted sales increased by SEK 97m or 18%.

Market demand for all business areas increased and resulted in higher sales for Europe & Asia/Pacific and Construction. Sales for Americas were negatively affected by the production disturbances in North America.

OPERATING INCOME

Operating income amounted to SEK 662m (778). Adjusted for exchange rate effects and items affecting comparability operating income increased by 7% or by approximately SEK 50m. Operating income includes items affecting comparability amounting to SEK -40m (-50).

The increase in adjusted operating income was mainly a result of higher volumes, a favorable sales channel and regional mix and higher sales prices. This was partly offset by additional costs related to the production disturbances in North America. The operating margin, excluding items affecting comparability, declined to 8.0% (9.1).

Adjusted operating income and operating margin for Europe & Asia/Pacific and Construction improved, but decreased for Americas.

Changes in exchange rates, including both translation and transaction effects net of hedging, had a total negative effect on Group operating income of SEK -171m (100). Hedging contracts had a negative effect of SEK -62m (26).

OUTLOOK FOR THE SECOND QUARTER 2011

Trade inventories of the Group's products at the end of the first quarter are estimated to have been on normal levels and slightly higher than a year ago. As market conditions have improved and end-user demand is higher, the sell-out in the

trade during the second quarter of 2011 is expected to be higher than in the second quarter of 2010. The Group's listings with major retailers for the season have improved compared to 2010. However, the production disturbances will continue to have a negative effect on sales and profit.

FINANCIAL ITEMS NET

Financial items net amounted to SEK -73m (-88) for the first quarter 2011. Higher interest cost was more than offset by positive mark-to-market valuation on the interest rate component of the Group's hedge contracts. The average interest rate on borrowings at the end of the first quarter increased to 4.0% (2.9). Compared to year-end 2010, the average interest rate has decreased from 4.8%, mainly due to an increase in share of lower interest rate USD funding for financing of the seasonal increase in working capital.

INCOME AFTER FINANCIAL ITEMS

Income after financial items for the first quarter amounted to SEK 589m (690) corresponding to a margin of 6.7% (7.6).

TAXES

Taxes amounted to SEK -105m (-155), corresponding to a tax rate of 18% (22) of income after financial items.

EARNINGS PER SHARE

Income for the first quarter amounted to SEK 484m (535), corresponding to SEK 0.84 (0.92) per share after dilution.

Net sales for Europe & Asia/Pacific in the first quarter increased 2%. Adjusted for exchange rate effects sales increased 10% or by approximately SEK 400m. Sales prices increased slightly during the quarter.

Total market demand in the Europe and Asia/Pacific region is estimated to have increased compared to the preceding year. The Group's sales to the dealer channel continued to develop strongly and sales to the retail channel also increased as a result of improved listings. Ride-on and walk-behind lawn mowers and watering products were the product categories with the highest sales growth. Sales increased in major markets such as Germany, France and the UK.

Operating income and operating margin improved. Adjusted for exchange rate effects and items affecting comparability operating income increased by 32% or by approximately SEK 200m. Changes in exchange rates had a negative effect on operating income by approximately SEK -114m. The higher operating income was mainly a result of higher sales and improved product and country mix. Higher costs for direct material were offset by higher selling prices.

AMERICAS

Net sales for Americas during the first quarter decreased by 11%. Adjusted for exchange rate effects, sales were flat. Sales prices increased slightly during the quarter.

Operating income decreased to SEK -94m (81). Adjusted for exchange rate effects and items affecting comparability operating income declined SEK -175m. Changes in exchange rates had a negative effect on operating income of approximately SEK -50m. Operating income in the first quarter 2010 included items affecting comparability amounting to SEK -50m. There were no items affecting comparability in the first quarter 2011. Operating income was negatively affected by the production disturbances (see below).

Total market demand in North America continued its positive trend. Due to production disturbances, the Group was not able to capitalize on the increased demand. The disturbances led to lower shipments and therefore negatively affected sales as well as leading to significantly higher costs in the range of SEK -150m, whereof the majority in March. The higher costs include costs for a significantly higher number of temporary staff in the plant, over-time compensation as production is running in longer shifts, consultants and lower absorption of fixed costs as the production rate was lower. Due to the disturbances, income was also negatively affected by lower sales of ride-on products and a negative mix.

The production disturbances are due to the increased complexity of materials, associated with the combination of the move of the production from Beatrice, Nebraska into the production facility in Orangeburg, South Carolina as well as a significantly higher number of new products being launched. Extensive measures to resolve the situation and to minimize the impact for customers have been taken. The production increased gradually during the quarter, as did the associated cost for measures taken.

CONSTRUCTION

Net sales for Construction in the first quarter increased 8%. Adjusted for exchange rate effects sales increased 18% or by SEK 97m. Sales prices were relatively stable.

Total market demand for construction products continued to improve, especially in Europe and Asia. New product introductions and innovation continued to be an important driver for sales. Trade inventory increased, reflecting the trade's positive outlook for the industry. Sales increased for all of the business area's main product categories.

Operating income amounted to SEK -17m (1) and includes a restructuring charge amounting to SEK -40m relate to the closure of the production facility for construction products in Spain. Adjusted for exchange rate effects and items affecting comparability operating income increased by approximately SEK 30m. Changes in exchange rates had a negative effect on operating income by approximately SEK -7m. There were no items affecting comparability in the first quarter 2010.

Excluding the items affecting comparability, operating income and margin in the first quarter improved, mainly as a result of higher volumes and improved mix.

PARENT COMPANY

Net sales in the first quarter for the Parent Company, Husqvarna AB, amounted to SEK 3,141m (3,036), of which SEK 2,545m (2,460) referred to sales to Group Companies and SEK 596m (576) to external customers. Income after financial items amounted to SEK 216m (766).

Investments in tangible and intangible assets amounted to SEK 83m (69). Cash and cash equivalents amounted to SEK 285m (30) at the end of the quarter. Undistributed earnings in the Parent Company amounted to SEK 17,626m (17,272).

CONVERSION OF SHARES

According to the company's articles of association, owners of A-shares have the right to have such shares converted to B-shares. Conversion reduces the total number of votes in the company. When such a conversion has occurred, the company is obligated by law to disclose any such changes.

During the first quarter of 2011, 637,975 A-shares were converted to B-shares at the request of shareholders. After the close of the first quarter, another 336,460 A-shares were converted to B-shares at the request of shareholders. The total number of votes thereafter amounts to 178,036,964.6.

The total number of registered shares in the company at March 31, 2011 amounted to 576,343,778 shares of which 134,117,112 were A-shares and 442,226,666 were B-shares.

ANNUAL GENERAL MEETING 2011

The Annual General Meeting of Husqvarna AB (publ) will be held at 16:00 on May 4, 2011, in the Elmia Congress and Concert Hall in Jönköping, Sweden.

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11) CUB CADET RECALLS RIDING LAWN MOWERS DUE TO FIRE HAZARD

The following product safety recall was voluntarily conducted by the firm in cooperation with the CPSC. Consumers should stop using the product immediately unless otherwise instructed. It is illegal to resell or attempt to resell a recalled consumer product.

April 3, 2011

Name of Product: Cub Cadet riding lawn mowers

Units: About 4,300

Manufacturer: MTD Consumer Group Inc, of Cleveland, Ohio

Hazard: A fuel leak can occur near the rear mounting screws on the bottom of the fuel tank, posing a fire hazard.

Incidents/Injuries: None reported.

Description: The recalled 2011 Cub Cadet zero turn riding lawn mowers, intended for both commercial and private use, have yellow and black steel frames. They sold under the following brand names and model numbers:

Model	Factory Model Numbers
Cub Cadet Z Force 48	17BF3AGV010
Cub Cadet Z Force 54	17BF3AGX010
Cub Cadet Z-Force-S 46	17AF5BHH010
Cub Cadet Z-Force-S 48	17AF5BHB010
Cub Cadet Z-Force-S 54	17AF5GHC010
Cub Cadet Z-Force-S 60	17AF5GHD010
Cub Cadet Z-Force Commercial 48	53AH5FJB050
Cub Cadet Z-Force Commercial 60	53AH5FJD050
Cub Cadet Tank L48	53AH8CTB050
Cub Cadet Tank L60	53AH8CTD050

Model number, serial number and date of manufacturer are printed on a label located under the front of the driver's seat. The serial number range and date of manufacture (DOM) of affected mowers are 1A101ZXXXXX (DOM 01/2011) through 1C091ZXXXXX (DOM 03/2011). Date of manufacture appears on the label.

Sold by: Cub Cadet dealers nationwide from February 2011 through March 2011 for between \$3,600 to \$7,000.

Manufactured in: United States

Remedy: Consumers should immediately stop using the mowers and store them outside. Consumers should contact their local Cub Cadet dealer to schedule an appointment for a free repair.

Consumer Contact: For more information, contact Cub Cadet toll-free at (888) 848-6038 between 8 a.m. and 5 p.m. ET Monday through Friday, or visit the firm's website at www.cubcadet.com

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13) BRIGGS REPORTS IMPROVED SALES AND NET INCOME FOR THE 3rd QUARTER OF FISCAL 2011

MILWAUKEE -- April 28 -- Briggs & Stratton Corporation (NYSE: BGG) today announced financial results for its third fiscal quarter and first nine months ended March 27, 2011.

Highlights:

Third quarter fiscal 2011 consolidated net sales of \$720.3 million increased \$25.8 million or 3.7% from the third quarter of fiscal 2010. For the first nine months of fiscal 2011, consolidated sales were \$1.5 billion, an increase of \$92.5 million or 6.6% from the same period of fiscal 2010.

Third quarter fiscal 2011 consolidated net income of \$51.5 million improved by \$8.8 million from the same period of fiscal 2010 after adjusting for a litigation settlement included in the prior year period of \$18.7 million after tax.

Net debt as of the end of the third fiscal quarter 2011 was \$240.2 million or \$80.4 million less than at the end of the third quarter of fiscal 2010.

"Results for the third quarter of fiscal 2011 were driven by sales and operating improvements within both of our Engines and Power Products Segments," commented Todd J. Teske, Chairman, President & Chief Executive Officer of Briggs & Stratton. "We are very pleased with the strong sales growth we have achieved in our international markets this year. It is one of many outcomes demonstrating our team's focus on delivering results against the core pillars of our strategy. We remain cautiously optimistic regarding the upcoming lawn and garden season here in the U.S. despite the on-going economic challenges and the impact of higher gasoline prices on consumer spending."

Consolidated Results:

Consolidated net sales for the third quarter of fiscal 2011 were \$720.3 million, an increase of \$25.8 million or 3.7% when compared to the same period a year ago. Fiscal 2011 third quarter consolidated net income was \$51.5 million or \$1.02 per diluted share. The third quarter of fiscal 2010 consolidated net income was \$24.1 million or \$0.48 per diluted share.

Included in consolidated net income for the fiscal 2010 third quarter was a litigation settlement of \$30.6 million (\$18.7 million after-tax or \$0.37 per diluted share). After considering the impact of the litigation settlement, third quarter fiscal 2011 consolidated net income improved by \$8.8 million or \$0.17 per diluted share over the adjusted consolidated net income of \$42.7 million or \$0.85 per diluted share in the third quarter of fiscal 2010.

Consolidated net sales for the first nine months of fiscal 2011 were \$1.5 billion, an increase of \$92.5 million or 6.6% when compared to the same period a year ago. For the first nine months of fiscal 2011, consolidated net income was \$42.2 million or \$0.84 per diluted share. The first nine months of fiscal 2010 consolidated net income was \$18.4 million or \$0.36 per diluted share.

Included in consolidated net income for the first nine months of fiscal 2011 was a \$3.5 million pre-tax charge (\$2.2 million after tax or \$0.04 per diluted share) related to previously announced organization changes and \$3.9 million of additional pre-tax costs (\$2.4 million after tax or \$0.05 per diluted share) associated with the redemption premium of the 8.875% Senior Notes and the write-off of the related deferred financing costs. Included in consolidated net income for the first nine months of fiscal 2010 was a litigation settlement of \$30.6 million (\$18.7 million after-tax or \$0.37 per diluted share). After considering the impact of items related to the organization changes, debt redemption and litigation settlement, adjusted consolidated net income for the first nine months of fiscal 2011 was \$46.7 million or \$0.93 per diluted share, which was higher by \$9.6 million or \$0.20 per diluted share compared to the first nine months of fiscal 2010 adjusted consolidated net income of \$37.1 million or \$0.73 per diluted share.

Engines Segment:

Engines Segment fiscal 2011 third quarter net sales were \$503.8 million, which was \$20.8 million or 4.3% higher than the prior year period. This increase from the same quarter last year is primarily due to higher shipment volumes and slightly

increased engine pricing, partially offset by an unfavorable mix of product shipped that reflected lower volumes of units used on riding lawn and garden equipment.

The Engines Segment gross profit percentage was 24.7% in the third quarter of fiscal 2011, or slightly lower from 24.8% in the third quarter of fiscal 2010. The change was attributable to higher commodity costs and increased salaries and benefits including a \$2.3 million increase in pension benefits expense, offset by slightly increased engine pricing.

The Engines Segment fiscal 2011 third quarter income from operations was \$77.5 million, an increase of \$3.5 million from fiscal 2010 third quarter adjusted income from operations. The increase is due to the improvement in net sales partially offset by an increase in non-manufacturing salaries and benefits including a \$1.9 million increase in pension benefits expense.

Engines Segment net sales for the first nine months of fiscal 2011 were approximately \$1.0 billion, which was \$58.2 million or 6.1% higher than the prior year period. This increase from the same period last year is primarily due to higher international engine unit shipments to European and Asian OEMs as well as slightly increased engine pricing.

The Engines Segment gross profit percentage increased to 23.4% for the first nine months of fiscal 2011 from 22.4% in the first nine months of fiscal 2010. This improvement was primarily due to increased production volumes and slightly increased engine pricing partially offset by higher commodity costs and increased salaries and benefits. The increase in salaries and benefits includes a \$7.2 million increase in pension benefits expense and \$2.2 million of higher salaries and benefits due to temporary reductions in salaries and the 401(k) match implemented in the first half of fiscal 2010.

The Engines Segment adjusted income from operations for the first nine months of fiscal 2011 was \$92.9 million, an increase of \$6.8 million from the first nine months of fiscal 2010 adjusted income from operations. The increase is due to the improvement in net sales and the gross profit percentage offset by an increase in non-manufacturing salaries and benefits including a \$5.4 million increase in pension benefits expense and \$1.5 million higher expenses due to temporary reductions in salaries and the 401(k) match implemented in the first half of fiscal 2010.

Power Products Segment:

Power Products Segment fiscal 2011 third quarter net sales were \$267.5 million, which was \$12.1 million or 4.8% greater than the prior year period. This improvement was due primarily to increased unit shipment volumes of snow throwers and ZTRs, partially offset by reduced shipment volumes of portable generators as a result of fewer wide spread power outages caused by ice storms.

The Power Products Segment gross profit percentage increased to 9.7% for the third quarter of fiscal 2011 from 7.2% in the third quarter of fiscal 2010. The improvement over the prior year was attributable to increased sales of higher margin products to dealers, decreased manufacturing spending and increased absorption on higher production volumes, partially offset by higher commodity costs and warranty expense. The decrease in manufacturing spending includes the absence of \$3.0 million of transition costs from the closure of our Jefferson manufacturing facility, which were incurred in the third quarter of fiscal 2010.

The Power Products Segment fiscal 2011 third quarter income from operations was \$1.7 million, an increase of \$8.9 million compared to the third quarter of fiscal 2010.

Power Products Segment net sales for the first nine months of fiscal 2011 were \$621.5 million, which was \$35.4 million or 6.0% greater than the prior year period. This improvement was due primarily to increased unit shipment volumes of snow throwers and ZTRs, partially offset by reduced shipment volumes of pressure washers and portable generators as a result of lower consumer demand and retailers and dealers closely managing inventories in these categories.

The Power Products Segment gross profit percentage decreased to 8.9% for the first nine months of fiscal 2011 from 9.8% in the first nine months of fiscal 2010. This decline between years resulted from higher manufacturing spending, lower absorption primarily related to the decreased production of portable generators, as well as increased expenses related to salaries and benefits. The increase in manufacturing spending relates to higher commodity costs, manufacturing inefficiencies in launching new products, increased warranty expense, and increased freight expense. The increase in salaries and benefits includes \$0.8 million higher expenses attributable to temporary reductions in salaries and the 401(k) match implemented in the first half of fiscal 2010.

The Power Products Segment adjusted loss from operations for the first nine months of fiscal 2011 was \$14.6 million, or \$5.9 million higher than the loss from operations of \$8.6 million for the same period one year ago. The increased loss from operations was primarily caused by the previously discussed manufacturing cost increases as well as an increase in non-manufacturing salaries and benefits including \$0.6 million higher expenses attributable to temporary reductions in salaries and the 401(k) match implemented in the first half of fiscal 2010.

Corporate Items:

As previously announced, in December 2010 the company issued \$225 million aggregate principal amount of 6.875% Senior Notes due December 2020. Net proceeds were primarily used to redeem the remaining outstanding principal of the 8.875% Senior Notes due March 2011.

Interest expense was lower for the third quarter of fiscal 2011 due to lower average outstanding borrowings as well as the reduced interest rate associated with the refinanced Senior Notes. Interest expense was lower for the first nine months of fiscal 2011 due to lower average outstanding borrowings, partially offset by \$3.9 million of pre-tax charges related to the redemption premium on the 8.875% Senior Notes and the write-off of related deferred financing costs.

The third quarter and first nine months effective tax rate for fiscal 2011 was 32.4% and 30.3%, respectively, versus 27.1% and 22.3% effective tax rate in the same respective periods last year. The variation reflected between years was due to the required recognition of the tax effect of certain events as discrete items in the quarter in which they occurred rather than in the overall expected annual tax rate.

Financial Position:

Net debt at March 27, 2011 was \$240.2 million (total debt of \$283.0 million less \$42.8 million of cash), an improvement of \$80.4 million from the \$320.6 million (total debt of \$348.5 million less \$27.9 million of cash) at March 28, 2010. Cash used by operating activities for the first nine months of fiscal 2011 was \$100.3 million, or \$83.8 million higher compared to \$16.5 million in the first nine months of fiscal 2010. The increase in cash used for operating activities is primarily due to working capital requirements to replenish inventory from lower levels at the end of fiscal 2010 and due to timing of payments associated with accounts receivable, accounts payable and accrued liabilities, offset by higher net income.

Outlook:

The company maintains its guidance that fiscal 2011 net income on a GAAP basis will be in the range of \$57 to \$68 million or \$1.13 to \$1.35 per diluted share. Consolidated net sales are projected to be approximately 2% to 5% higher than in fiscal 2010. Engines Segment sales are forecasted higher on modest volume and pricing improvements while the Power Products Segment sales are forecasted higher primarily due to higher expected volumes of lawn and garden equipment. Demand for portable generators and the related engines due to landed hurricane activity have not been included in our fiscal 2011 sales forecast. Operating income margins for fiscal 2011 are projected to be in the range of 4.7% to 5.2%, and interest expense and other income are forecasted to be in the range of \$23 million to \$24 million and \$6 million to \$7 million, respectively. The effective tax rate for the full year is projected to be in a range of 30% to 33%.

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14) TORO RECALLS POWER CLEAR SNOWBLOWERS AND RECYCLER MOWERS

WASHINGTON, D.C. – April 17 -- The U.S. Consumer Product Safety Commission and Health Canada, 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. It is illegal to resell or attempt to resell a recalled consumer product.

Name of Product: Toro Power Clear Snowblower and the Toro 20" Recycler Mower

Units:

Snowblowers: About 18,000 in the U.S. and 5,000 in Canada

Mowers: About 6,000 in the U.S. and 200 in Canada

Manufacturer: The Toro Company, of Bloomington, Minn.

Hazard: The carburetors on both products develop fuel leaks and can ignite when exposed to an ignition source, posing a fire or burn hazard.

Incidents/Injuries: There have been about 500 reports of carburetor leaks. There were no reports of fire or injury.

Description:

Toro PC-421Q The model/serial numbers are found on a decal on the underside of the rear of the unit.

Snowblowers: Model and serial numbers are:

Model Number	Serial Number
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38588	310000001 to 310999999 and 311000001 to 311003576
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38589	310000001 to 310999999 and 311000001 to 311999999
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Toro 20" Recycler Mower: The model and serial numbers are found on a decal on the left rear of the mower. Model 20323; Serial number 310000001 to 310999999.

Sold at: Toro Dealers in the United States and Canada from September 2009-March 2011.

Manufactured in: Mower in Mexico; Snowblower in the United States

Remedy: Consumers should immediately stop using the products and contact a Toro Service Dealer for a free repair.

Consumer Contact: For additional information, including the name of a dealer near you, contact Toro toll free at 877-738-4440 Monday through Friday from 8 a.m. to 4:30 p.m. CT, or visit Toro's website: www.toro.com

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15) FOR LEAN FACTORIES, NO BUFFER

Timothy Aepfel

www.online.wsj.com

The just-in-time approach to manufacturing, which has swept the world's factories over the past two decades, has made a virtue out of keeping inventories lean. But some manufacturers think it has gone too far, and that having a little extra padding might be a healthier option.

Popularized by Japanese auto makers, the just-in-time system is based on a company buying or making only what it needs to fill immediate demand. Although that helps manufacturers hold down costs by keeping stockpiles of components and finished goods low, it can leave them high and dry if production supplies don't arrive as expected, a risk highlighted by the parts shortages caused by the earthquake and tsunami in Japan.

Even before that disaster, some companies were modifying their just-in-time approach. Heavy-equipment maker [Terex Corp.](#) recently cut deals with its 15 biggest suppliers to guarantee it would buy fixed amounts of parts for three months in advance.

A worker walks past a crane on the assembly line at the Terex Corporation plant, Friday, April 11, 2008, in Waverly, Iowa. Construction machinery makers like Terex Corp. are straining to keep up with foreign demand for equipment used on infrastructure development projects. (AP Photo/Charlie Neibergall)

Since January, lawn-mower manufacturer Ariens Co. has opened four new warehouses across North America to store finished mowers. Al-jon Manufacturing LLC, a maker of machines that crush metal waste, has taken to keeping a stash of hard-to-find parts at its factory in Iowa.

"Just-in-time makes sense, but it's vulnerable to disruptions," says Terex Chief Executive Ron DeFeo, "so what we're seeing now is the theoretical being adapted to meet the world of the practical."

Nobody expects manufacturers to revert to their old ways of piling up masses of parts and products. But many manufacturers have gotten stretched too thin in recent years.

Paul Martyn, a supply-chain consultant in Chicago, says manufacturers became so obsessed with reducing inventories they squeezed out the cushioning they needed to cope with business booms or interruptions.

"Prior to the recession—and now in the recovery—we aren't just lean, we've become anorexic," he adds.

The March 11 disasters that damaged factories and hobbled ports in Japan have thrown the situation into sharp relief. The disruptions quickly radiated out, putting kinks in the global supply chains of several industries. Auto plants in the Midwest and electronics factories across Asia have scrambled to find substitutes for Japanese-made parts. Many other industries say they are still assessing how the disruptions will filter back to them.

To be sure, companies have built up their inventories over the past year as demand has recovered. In February, the latest month for which data is available, U.S. manufacturers and traders had inventories valued at \$1.46 trillion, up 9.1% from a year earlier.

But demand has grown, too, in some cases far faster than manufacturers' ability to build any buffers. The inventory-to-sales ratio, a measure of the volume of goods in the economy relative to demand, currently stands at 1.23 and has hovered near this historically low level for the past year. The ratio spiked during the recent recession, as companies got stuck holding unsold goods, but in general it has been trending down for years.

"One reason this recovery hasn't been faster is that demand is there—but there hasn't necessarily been product on the shelf to meet that demand," says Mr. Martyn, the consultant.

Many companies say the just-in-time philosophy, which has been celebrated for making companies and the economy as a whole far more efficient and profitable, also has discouraged suppliers from ramping up, for fear of getting stuck with unsold goods if the economy tanks abruptly, as it did in 2007.

Former Fed Chairman Alan Greenspan, in a 1997 speech, praised "sophisticated, just-in-time inventory systems" for making the economy more flexible. But that flexibility showed a dark side when the economy crashed four years ago. Companies that had bought raw materials and hired workers with the expectation of selling to customers would get sudden calls canceling orders, and were left saddled with surplus products.

Many companies floundered as a result, and found their customers unsympathetic. That's why many suppliers are now resisting calls from customers to ramp up.

Terex, based in Westport, Conn., has seen its business skyrocket over the past year as demand snapped back, especially in developing markets that want its mining and construction machines. "In a just-in-time environment, you let suppliers figure out what you'll need six or seven months out," says Timothy Fiore, the company's vice president of strategic planning. But, he says, suppliers are demanding assurances that they won't get caught holding the bag if they build stocks for customers like Terex and then demand suddenly falls off.

"We had a supplier actually tell us a couple of days ago: 'You guys were rough on us when the bottom fell out, so why should I help you now?' " says Timothy Fiore, Terex's vice president of strategic sourcing.

Part of Terex's response has been to "freeze" its commitments to key suppliers, in effect promising to buy specified amounts of goods over the next three months. As each month ends, the company's commitment clicks forward another month, giving suppliers some additional security.

Terex, which does nearly two-thirds of its business outside the U.S., carries about \$1.7 billion in inventory. Mr. DeFeo, the CEO, estimates moves such as securing additional parts and materials from key suppliers "has added a few percent" to inventories, "which is a big number in a capital-goods industry."

"What we're seeing is a general move toward building safety back into the system," says Alex Niemeyer, head of the supply-chain practice for the Americas at consulting firm McKinsey & Co.

Producers have always faced occasional supply disruptions, caused by events ranging from oil embargoes to civil wars, especially as businesses have grown more global. What's changed is that the disruptions are becoming more frequent. "It used to be every three or five years, something happened," says Mr. Niemeyer, now it's become more constant.

Al-jon, a small, privately owned equipment maker in Ottumwa, Iowa, jumped on the just-in-time bandwagon long ago, trimming inventories and cutting back on the number of suppliers it used. For years, the strategy worked fine, says President Kendig Kneen.

Lately, however, Al-jon has faced growing delays. The company has seen its lead time for obtaining steel gear-reduction assemblies grow steadily over the past year; it now stands at 16 weeks. "In the past, we'd just count on a vendor having it on the shelf for us—but nobody wants to hold goods," says Mr. Kneen.

The company has quietly built a small buffer stock of scarce parts while also seeking additional suppliers, including one in Germany, to give it more flexibility. "We've tried everything, but in essence it ends up that we have to lay more inventory in," says Mr. Kneen. "But that's a challenge, because cash flow is tight."

The alternative, however, is going without what's needed to fill orders, and thus losing out to competitors.

Daniel Ariens, CEO of family-owned Ariens, says he realized he was missing opportunities to sell more over the past six months because he didn't have enough of his company's bright-orange snow blowers and lawn mowers built and ready to ship to retailers, who continue to demand delivery on short notice.

As he looked forward to the spring selling season, he decided the company, which is based in Brillion, Wis., needed to fill four leased warehouses around the country, its biggest inventory buildup since the late 1990s.

Mr. Ariens remains a fan of the just-in-time approach, but sees how the theory is stumbling in practice. For the past nine months, he says, he has had trouble getting enough rubber belts and tires for his machines.

"A lot of the supply chain for those things in the U.S. has moved to China," he says, and so he has to order six weeks in advance and sometimes faces delays in getting what he needs. Recently, however, his rubber supplier moved some production back from China to a factory in Tennessee, which Mr. Ariens hopes will make it easier for him to get faster shipments.

To be sure, many of the things companies are doing now can be undone. Warehouses can be closed as easily as they are opened. But other changes are likely to be more long-lasting.

J.B. Brown says just-in-time has shifted the balance of power between suppliers like him and his much-larger customers. "The whole dynamic of how companies work with suppliers has been turned on its head," says Mr. Brown, the president of a family-owned foundry in Bremen, Ind., which produces metal parts for 250 different customers, including many multinationals.

Mr. Brown says he is expanding output at fast as he can. but that the memories of how large companies squeezed suppliers during the recession remain fresh for him and others. "We definitely have more clout right now," he says, "and I think we have to be careful not to abuse that." Still, he's done away with volume discounts—something unthinkable a few years ago.

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16) INDUSTRY EVENTS CALENDAR

2011 OPE INDUSTRY MEETING AND EVENTS CALENDAR	
January 24-26, 2012	BTME-BIGGA , British Turf Management and the British International Golf & Greenkeepers Association Show, Harrogate International Center, England
January 24-27, 2012	World of Concrete , Las Vegas Convention Center, Las Vegas, NV
February 5-8, 2012	The Rental Show , American Rental Association Conference and Trade Show, Morial Convention Center, New Orleans, LA
February 18-21, 2012	OPEAA , Outdoor Power Equipment Aftermarket Association Annual Meeting, Phoenix, AZ
February 29 – March 1, 2012	GIS , Golf Industry Show, Orange County Convention Center, Orlando, FL
February 26-29, 2012	OPEESA , Outdoor Power Equipment and Engine Service Association, 10 th Annual Members Meeting, Arizona Biltmore, Phoenix, AZ
March 11, 2012	Daylight Savings Time Begins
April 12-15, 2012	EETC , Equipment and Engine Training Council 17 th Annual Conference, Dallas, TX
May 10-12, 2011	National Hardware Show , Las Vegas Convention Center and Sands Convention Center
June 19-25, 2011	Skills USA , National Leadership and Skills Conference, Kansas City, Missouri
June 23-25, 2011	OPEI , Outdoor Power Equipment Institute Annual Meeting, Greenbrier, White Sulphur Springs, WV
September 4-6, 2011	GAFA (with SPOGA) , International Garden Trade Fair with the International Trade Fair for Sport, Camping and Garden Lifestyle, Cologne, Germany
September 6-8, 2010	IOG SALTEX , Grounds Care, Sports Facilities, Amenities, Landscaping And Estate Management Outdoor Trade Show, Windsor Race Track, Windsor, Berkshire, England
September 19-21, 2011	GLEE , International Garden and Leisure Show, NEC Birmingham, England
October 19-22, 2011	FFA , Future Farmers of America Annual Convention, Indianapolis, IN
October 27-29, 2011	GIE+EXPO , Green Industry and Equipment Expo, Louisville, KY (combining EXPO and the GIE Show)
November 6, 2011	Daylight Savings Time Ends

17) 2011-2012 OPEESA OFFICERS, BOARD, EXECUTIVE DIRECTOR

2011-2012 OPEESA BOARD				
First Name	Last Name	Company	Email	Position/Term
Robert	Graham	EWI 7415 Empire Central Houston TX 77040	Robert.graham@engwarehouse.com	President
Pete	Yunker	Power Equipment Systems 1645 Salem Industrial Dr Salem OR 97301	petey@pesnet.com	Vice President <i>Annual Meeting</i>
Todd	Winstead	Tidewater Power Equipment 5796 Thurston Ave. Virginia Beach VA 23455	twinstead@tpeco.com	Sec/Treas.
Mark	Vining	Roberts Supply 4203 Metric Drive Winter Park FL 32792-6897	m.vining@robertssupply.com	Past President
Tim	Congdon	Congdon Associates Dist. Co. – CADCO 1365 Strykers Road Phillipsburg NJ 08865	timc@cadcodist.com	2012
Mike	Lupo	TD Retail Card Services 1000 MacArthur Boulevard Mahwah, NJ 07430	Mike.lupo@tdrcs.com	2012 <i>Manufacturer/ Affiliate Rep.</i>
Ron	Monroe	Hayward Distributing Co. 4061 Perimeter Drive Columbus OH 43228	rmonroe@haydist.com	2013
Mike	Rounsavall	Dixie Sales Co. 5920 Summit Ave. Browns Summit NC 27214	mrounsavall@dixiesales.com	2013
Denis	Bedard	Husqvarna Professional Products 9335 Harris Corners Parkway Charlotte NC 28269	Denis.bedard@husqvarna.com	2013 <i>Manufacturer/ Affiliate Rep.</i>
Robert	Smith	Smith's South-Central Sales Co. 1802 S. Arkansas St. Springhill LA 71075	rsmith@smithssc.com	2014
Rick	Bryan IV	Bryan Equipment Sales, Inc. 457 Wards Corner Road Loveland OH 45140	rbiv@bryanequipment.com	2014
Jeff	Plotka	Precision Work 75 Harbor Road Port Washington NY 11050	jeff@precisionworkinc.com	2014
Nancy	Cueroni	OPEESA 37 Pratt Street Essex CT 06426-1159	Info@opeesa.com	Executive Director