SMG Environmental Stewardship Program (ESP)

Established in 2000 with Chief Environmental Officer appointed in 2004
- Reports directly to Chief Executive Officer

ESP mission: Drive stewardship/sustainability principles throughout SMG
- Enhance consumer success through innovation & continuous improvement
- Provide industry/retail community leadership in identifying & resolving stewardship issues

Conduct outreach to regional & local stakeholder groups to gain insight and build trust/cooperation on stewardship actions

Provide detailed information on product quantity sold, content, and consumer usage behaviors
What Do Homeowners Think About Lawns?

Americans Love their lawns and gardens!
- It is the #1 household activity
- Homeowners’ vision of their lawn is as diversified as the homeowners themselves
- Lawns have environmental, social and economic benefits
- 82% of Americans believe lawn appearance plays an important role in the decision to buy a house

Homeowner Lawn Care Practices
- Driven by homeowner choice/preferences
- Do it yourself, consumer product solutions
- Need to be effective
- Have to be simple and easy to execute
Size of Home Lawn Market

80 million home lawns
30 million acres
<table>
<thead>
<tr>
<th>Industry Segment</th>
<th>Tons of Fertilizer (Millions)</th>
<th>% of USA Total Fertilizer</th>
<th>Pounds of Active Ingredients (Millions)</th>
<th>% of USA Total Pesticides</th>
</tr>
</thead>
<tbody>
<tr>
<td>USA Total</td>
<td>---</td>
<td>---</td>
<td>1,200</td>
<td>100</td>
</tr>
<tr>
<td>USA Ag</td>
<td>58</td>
<td>100</td>
<td>675</td>
<td>56</td>
</tr>
<tr>
<td>D.I.Y. Lawn &amp; Garden</td>
<td>1</td>
<td>&lt;2%</td>
<td>40</td>
<td>&lt;3%</td>
</tr>
</tbody>
</table>
Lawn Quality Choices

Pounds of Nitrogen per 1,000 Square Feet per Year

0 1 2 3 4 5 6

Starvation Subsistance Sub Optimal Lo Optimal Hi Optimal Specialty

Number of pounds of nitrogen roughly equals the number of fertilizer applications needed during the year.

What Is Personally Acceptable?
Home Lawn Care Practices

- 50% Do Nothing

- Millions of Home Lawns

- D.I.Y. Applications Per Year

- Lawn Service
"Integrated Pest Management is the coordinated use of pest and environmental information along with available pest control methods, including cultural, biological, genetic and chemical methods, to prevent unacceptable levels of pest damage by the most economical means, and with the least possible hazard to people, property, and the environment."

American Farmland Trust.  http://cipm.ncsu.edu/

The 5 IPM principles shown above:
1. Prevent unacceptable levels of pest damage
2. Pest information (coordinated with)
3. Environmental information
4. Available pest control methods
5. Least possible hazard to people, property, and the environment
# 5 IPM Principles and Homeowners

<table>
<thead>
<tr>
<th>IPM Principle</th>
<th>Homeowner Action</th>
<th>Focus</th>
</tr>
</thead>
<tbody>
<tr>
<td>Unacceptable Levels of Pest Damage</td>
<td>Does it bother me enough to take action?</td>
<td>Personal choice defines action</td>
</tr>
<tr>
<td>Pest Information (ID the pest)</td>
<td>Weed or Bug?</td>
<td>Is it moving?</td>
</tr>
<tr>
<td>Environmental Information</td>
<td>Where is the problem? Widespread or localized?</td>
<td>Lawn, Home, Landscape, Hard Surface</td>
</tr>
<tr>
<td>Available Methods of Pest Control</td>
<td>Do it yourself or call a Professional?</td>
<td>Conventional, organic, home remedy</td>
</tr>
<tr>
<td>Least Hazard to People, Property, and the Environment</td>
<td>RTU, Granules - Spot Liquid Concentrate or Granules - Broadcast</td>
<td>Right product used the right way</td>
</tr>
</tbody>
</table>
Helping Homeowners with IPM

Product Selection & Use (Scotts/Retailers)
• Make it easy to pick appropriate product
• Buy only what you need
• Easy to follow directions (timing, dose)

Product Design (Scotts/AI Suppliers/EPA Regulations)
• Design least hazard in to product choices
• Low toxicity, exposure and waste
• Easy, on-target application
Enabling Homeowner IPM: Examples

• Improved applicators: EdgeGuard

• Reinventing liquid controls
  • Water-based formulations
  • Pull ‘N Spray
  • RTU focused advertising

• Refocused label: Turf Builder line
New Targeted Application Tools

Scotts Deluxe™ EdgeGuard Broadcast Spreader
Weed B Gon

WBG Concentrate

WBG Ready-To-Use
Scotts Old Packaging

- **LATE FALL**: Fertilizes for fall root growth
- **EARLY FALL**: If weeds or insects are not a problem
- **EARLY SPRING**: Substitute for any application
- **LATE SPRING**: Fertilizes and controls broadleaf weeds
- **SUMMER**: Fertilizes and controls insects
Are Natural & Organic Products Safer?

Naturally occurring products

- Arsenic
- Chlorine

Organic products

- Nicotine
- Essential plant oils

Do words imply safety?

- Natural & Organic
- Synthetic & chemical
Diagnostic Information Available

- Scotts Website – Ortho Problem Solver Online
- Meredith Lawn Care & Gardening Books
- 800 Help lines
- Corporate communications – garden writers
- Store point of purchase
- Packaging information & directions
Plant New Turf Cultivars

Plant Selection is key!!!
• Adapted to site/ location/ region
• New cultivars
  • Less pest problems
  • Less inputs required

New homeowners and home builders need to know about and pick the best grass types!!!
Homeowner IPM

Good Advice Drives Consumer Success

- Consistent information
- Easy to understand and actionable

Appropriate Product Selection and Use

- Employ IPM principles
- Spot versus broadcast treatment
- Right timing for application
- Right dose (follow label directions)
- On-target (keep off hard surfaces)
Lawns & Gardens Are Part of Nature
and a key component of healthy, urban ecosystems

The Environment is our business!!!