

SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):

October 4, 1999 (October 1, 1999)

The Scotts Company

(Exact name of registrant as specified in its charter)

Ohio

1-11593

31-1414921

(State or other jurisdiction
of incorporation)

(Commission File
Number)

(IRS Employer
Identification No.)

41 South High Street, Suite 3500, Columbus Ohio 43215

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code (614) 719-5500

Not Applicable

(Former name or former address, if changed since last report.)

Index to Exhibits is on Page 5.

Item 5. Other Events

Effective October 1, 1999, the preferred shareholders of The Scotts Company converted all of their Class A Convertible Preferred Shares into approximately 10.1 million common shares of Scotts. In exchange for this early conversion, the preferred shareholders received an aggregate payment of approximately \$6.4 million, representing the amount of the dividends on the Preferred Shares that would otherwise have been payable through May 2000. Scotts also agreed to accelerate, from May 2000 (the month during which the Preferred Shares could first be redeemed by Scotts) to October 1, 1999, the termination of certain of the standstill provisions in the Amended and Restated Agreement and Plan of Merger, dated as of May 19, 1995 (the "Miracle-Gro Merger Agreement"), among Scotts' Miracle-Gro Products, Inc. (as successor to ZYX Corporation and Stern's Miracle-Gro Products, Inc.), Miracle-Gro Lawn Products Inc., Miracle-Gro Products Limited, Hagedorn Partnership, L.P., the general partners of Hagedorn Partnership, L.P., Horace Hagedorn, Community Funds, Inc., and John Kenlon and Scotts. These transactions were consummated pursuant to the terms of the First Amendment to Amended and Restated Agreement and Plan of Merger, dated as of October 1, 1999 (the "First Amendment"), a copy of which is filed as Exhibit 2 to this Form 8-K.

Under the terms of the First Amendment, the voting and transfer restrictions on Hagedorn Partnership, L.P., Community Funds, Inc., Horace Hagedorn and John Kenlon (collectively, the "Miracle-Gro Shareholders") contained in the Miracle-Gro Merger Agreement terminated as of October 1, 1999. The limitations on the ability of the Miracle-Gro Shareholders to acquire additional voting securities of Scotts contained in the Miracle-Gro Merger Agreement terminated as of October 1, 1999, except for the restriction under which the Miracle-Gro Shareholders may not acquire, directly or indirectly, beneficial ownership of Voting Stock (as that term is defined in the Miracle-Gro Merger Agreement as amended) representing more than 49% of the total voting power of the outstanding Voting Stock except pursuant to a tender offer for 100% of that total voting power, which tender offer is made at a price per share which is not less than the market price per share on the last trading day before the announcement of the tender offer and conditioned upon the receipt of at least 50% of the Voting Stock beneficially owned by Scotts shareholders other than the Miracle-Gro Shareholders and their affiliates and associates.

Further information about the conversion of the Convertible Preferred Stock and the related transactions is included in the Press Release issued by Scotts on October 4, 1999, a copy of which is included as Exhibit 99 to this Form 8-K.

Item 7. Financial Statements and Exhibits.

(a) and (b) Not applicable.

(c) Exhibits:

Exhibit No. -----	Description -----
2	First Amendment to Amended and Restated Agreement and Plan of Merger, made and entered into as of October 1, 1999, among The Scotts Company, Scotts' Miracle-Gro Products, Inc. (as successor to ZYX Corporation and Stern's Miracle-Gro Products, Inc.), Miracle-Gro Lawn Products Inc., Miracle-Gro Products Limited, Hagedorn Partnership, L.P., Community Funds, Inc., Horace Hagedorn and John Kenlon, and James Hagedorn, Katherine Hagedorn Littlefield, Paul Hagedorn, Peter Hagedorn, Robert Hagedorn and Susan Hagedorn
99	Press Release issued October 4, 1999

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

THE SCOTTS COMPANY

Date: October 4, 1999

By: /s/ Charles M. Berger

Its: Chairman, President and Chief Executive Officer

INDEX TO EXHIBITS

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99	Press Release issued October 4, 1999	*

*Filed herewith.

FIRST AMENDMENT
TO
AMENDED AND RESTATED AGREEMENT
AND PLAN OF MERGER

THIS FIRST AMENDMENT to the Amended and Restated Agreement and Plan of Merger is made and entered into as of the 1st day of October, 1999, by and among THE SCOTTS COMPANY ("Scotts"), SCOTTS' MIRACLE-GRO PRODUCTS, INC. (as successor to ZYX Corporation and Stern's Miracle-Gro Products, Inc., the "Company"), MIRACLE-GRO LAWN PRODUCTS INC. ("Miracle-Gro New York"), MIRACLE-GRO PRODUCTS LIMITED ("Miracle-Gro UK" and, together with the Company and Miracle-Gro New York, the "Miracle-Gro Constituent Companies"), HAGEDORN PARTNERSHIP, L.P. (the "Partnership"), COMMUNITY FUNDS, INC. (the "Charity"), Horace Hagedorn and John Kenlon (together with the Partnership and Horace Hagedorn (the "Preferred Shareholders")) and James Hagedorn, Katherine Hagedorn Littlefield, Paul Hagedorn, Peter Hagedorn, Robert Hagedorn and Susan Hagedorn (the "General Partners").

W I T N E S S E T H :
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WHEREAS, the parties hereto are the surviving parties to an Amended and Restated Agreement and Plan of Merger dated as of May 19, 1995 (the "Miracle-Gro Merger Agreement");

WHEREAS, in connection with the transactions contemplated by the Miracle-Gro Merger Agreement and certain subsequent transfers permitted by the Miracle-Gro Merger Agreement, the Preferred Shareholders acquired an aggregate of 195,000 shares of Class A Convertible Preferred Stock, without par value (the "Convertible Preferred Stock"), of Scotts;

WHEREAS, on April 27, 1999, John Kenlon converted 571 shares of Convertible Preferred Stock and on August 30, 1999, the Partnership converted 3,135 shares of Convertible Preferred Stock, leaving 191,294 outstanding shares of Convertible Preferred Stock as of the date of this First Amendment;

WHEREAS, pursuant to its terms, the Convertible Preferred Stock may not be redeemed by Scotts prior to May 31, 2000;

WHEREAS, Scotts desires that the Preferred Shareholders convert all 191,294 outstanding shares of Convertible Preferred Stock on October 1, 1999 (the "Conversion Date");

WHEREAS, pursuant to the terms, and subject to the conditions, set forth herein, the Preferred Shareholders desire to convert all 191,294 outstanding shares of Convertible Preferred Stock on the Conversion Date; and

WHEREAS, in connection with, and as a condition to, such conversion, the parties hereto desire to amend the Miracle-Gro Merger Agreement to amend certain provisions contained in Article VI thereof.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants set forth herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree as follows:

Section 1. Conversion of Convertible Preferred Stock.

(a) Subject to the terms and conditions hereof, on the Conversion Date, each of the Preferred Shareholders shall surrender a certificate or certificates representing all of the shares of Convertible Preferred Stock held by such Preferred Shareholder, duly endorsed, at the principal offices of Scotts and shall give written notice to Scotts at such office that such Preferred Shareholder elects to convert the same.

(b) The parties hereto acknowledge and agree that, pursuant to the terms of the Convertible Preferred Stock, conversion of the Convertible Preferred Stock shall be deemed to have been made immediately prior to the close of business on the Conversion Date, and the Preferred Shareholder surrendering such Convertible Preferred Stock shall be treated for all purposes as the record holder of the common shares of Scotts issuable upon conversion of such shares of Convertible Preferred Stock on such date.

(c) The parties further acknowledge and agree that the current Conversion Price of the Convertible Preferred Stock is \$19 per common share, and the aggregate number of common shares into which each Preferred Shareholder's shares of Convertible Preferred Stock are currently convertible is set forth on Schedule A attached hereto.

(d) Scotts shall, on the Conversion Date, issue and deliver to each Preferred Shareholder that surrenders shares of Convertible Preferred Stock (or to any other person specified in the notice delivered by such Preferred Shareholder), a certificate or certificates for the number of common shares of Scotts to which such Preferred Shareholder shall be entitled and a check payable to such Preferred Shareholder for any cash amounts payable as the result of a conversion into fractional common shares, calculated as provided by the terms of the Convertible Preferred Stock. Unless otherwise requested by any Preferred Shareholder, Scotts shall issue a separate certificate for common shares of Scotts in respect of each certificate representing shares of Convertible Preferred Stock surrendered for conversion by each Preferred Shareholder.

Section 2. Payment Upon Conversion.

(a) Pursuant to the terms of the Convertible Preferred Stock, on September 30, 1999, Scotts shall pay to the holders of record as they appear on the register for the Convertible Preferred Stock as of September 15, 1999, the applicable quarterly cumulative dividend.

(b) In addition to such quarterly cumulative dividend, Scotts shall on the Conversion Date pay (by wire transfer of same day funds) to each Preferred Shareholder who surrenders all of such Preferred Shareholder's shares of Convertible Preferred Stock in accordance with Section 1(a) above, the amount in cash set forth opposite such Preferred Shareholder's name on Schedule A, which represents the dividends that would otherwise have been payable pursuant to the terms of the Convertible Preferred Stock from the Conversion Date through May 30, 2000.

Section 3. Representations and Warranties of the Preferred Shareholders.

Each Preferred Shareholder severally represents and warrants to Scotts as follows:

(a) Such Preferred Shareholder is the owner of the number of shares of Convertible Preferred Stock set forth opposite such Preferred Shareholder's name on Schedule A, free and clear of any liens, encumbrances, pledges, options, claims, charges, assessments and restrictions.

(b) In the case of each of Horace Hagedorn and John Kenlon, such Preferred Shareholder has full power and authority to convert his shares of Convertible Preferred Stock. In the case of the Partnership, the Partnership has full partnership power and authority to convert its shares of Convertible Preferred Stock.

(c) This First Amendment has been duly authorized by all necessary partnership action of the Partnership.

(d) This First Amendment constitutes the legal, valid and binding obligation of such Preferred Shareholder, enforceable against such Preferred Shareholder in accordance with its terms.

Section 4. Representations and Warranties of Scotts. Scotts represents and warrants to the Preferred Shareholders as follows:

(a) After common shares of Scotts have been issued and delivered by Scotts to each Preferred Shareholder in the aggregate number set forth on Schedule A, upon the conversion of shares of Convertible Preferred Stock held by such Preferred Shareholder in accordance with Section 1(a) above, such common shares will be duly authorized, validly issued and non-assessable.

(b) This First Amendment has been duly authorized by all necessary corporate action of Scotts and no shareholder approval of this First Amendment is required.

(c) This First Amendment constitutes the legal, valid and binding obligation of Scotts, enforceable against Scotts in accordance with its terms.

(d) Scotts has not taken, or caused or permitted to be taken, any action that would require an adjustment in the Conversion Price of the Convertible Preferred Stock.

Section 5. Amendments to Miracle-Gro Merger Agreement.

(a) The text of Sections 6.02(b), 6.06, 6.08, 6.09 and 6.10 of the Miracle-Gro Merger Agreement, including, in the case of Sections 6.06, 6.08, 6.09 and 6.10, the headings thereof, shall be of no further force and effect from and after October 1, 1999.

(b) The first sentence of Section 6.07 of the Miracle-Gro Merger Agreement is hereby amended by deleting the reference to "the fifth anniversary of the Effective Time" contained therein and by replacing such reference with the words "October 1, 1999."

Section 6. Conditions Precedent to the Obligations of the Preferred Shareholders and Scotts.

(a) Conditions Precedent to Each Preferred Shareholder's Obligation. The obligation of each Preferred Shareholder to consummate the conversion of such Preferred Shareholder's shares of Convertible Preferred Stock contemplated by Section 1 of this First Amendment is subject to the satisfaction on or before the Conversion Date of the following conditions:

- (i) The representations and warranties of Scotts made in this First Amendment shall be true and correct in all material respects on and as of the Conversion Date, as though made on and as of the Conversion Date, and Scotts shall have delivered a certificate executed by a duly authorized officer of Scotts to such effect.
- (ii) No event requiring an adjustment in the Conversion Price for the Convertible Preferred Stock on the Conversion Date shall have occurred.

(b) Conditions Precedent to Scotts' Obligation. The obligation of Scotts to consummate the transactions contemplated by this First Amendment is subject to the satisfaction on or before the Conversion Date of the following conditions:

- (i) The representations and warranties of the Preferred Shareholders made in this First Amendment shall be true and correct in all material respects on and as of the Conversion Date, as though made on and as of the Conversion Date, and each Preferred Shareholder shall have delivered a certificate to such effect, executed by the Preferred Shareholder in the case of Horace Hagedorn and John Kenlon, or by a duly authorized partner in the case of the Partnership.
- (ii) No event requiring an adjustment in the Conversion Price for the Convertible Preferred Stock on the Conversion Date shall have occurred.

Section 7. Miscellaneous.

(a) This First Amendment may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

(b) This First Amendment shall be construed in accordance with and governed by the law of the State of Ohio.

(c) Except as expressly provided for in this First Amendment, the Miracle-Gro Merger Agreement shall remain in full force and effect in accordance with its terms.

[Remainder of page intentionally left blank; signatures on following page.]

IN WITNESS WHEREOF, the parties have executed this First Amendment, or caused this First Amendment to be executed by their duly authorized representatives, as of the date first written above.

MIRACLE-GRO CONSTITUENT COMPANIES:

SCOTTS' MIRACLE-GRO PRODUCTS, INC.

By: /s/ John Kenlon

Name: John Kenlon
Title: Chairman and Chief Executive Officer

MIRACLE-GRO LAWN PRODUCTS INC.

By: /s/ John Kenlon

Name: John Kenlon
Title: Executive Vice President

MIRACLE-GRO PRODUCTS LIMITED

By: /s/ John Kenlon

Name: John Kenlon
Title: Executive Vice President

CHARITY:

COMMUNITY FUNDS, INC.

By: /s/ Jane L. Wilton

Name: Jane L. Wilton
Title: Secretary and General Counsel

PREFERRED SHAREHOLDERS:

/s/ Horace Hagedorn

HORACE HAGEDORN

HAGEDORN PARTNERSHIP, L.P.

By: /s/ Katherine Hagedorn Littlefield

A General Partner

/s/ John Kenlon

JOHN KENLON

GENERAL PARTNERS:

/s/ James Hagedorn

JAMES HAGEDORN

/s/ Katherine Hagedorn Littlefield

KATHERINE HAGEDORN LITTLEFIELD

/s/ Paul Hagedorn

PAUL HAGEDORN

/s/ Peter Hagedorn

PETER HAGEDORN

/s/ Robert Hagedorn

ROBERT HAGEDORN

/s/ Susan Hagedorn

SUSAN HAGEDORN

SCOTTS:

THE SCOTTS COMPANY

By: /s/ Charles M. Berger

Name: Charles M. Berger
Title: Chairman, President and Chief Executive
Officer

SCHEDULE A

Name of Preferred Shareholder -----	Number of Shares of Convertible Preferred Stock Owned -----	Number of Common Shares into which Said Shares of Convertible Preferred Stock are Convertible -----	Amount of Cash to be Received Pursuant to Section 2(b) of First Amendment -----
Hagedorn Partnership, L.P.	187,523	9,869,631.58*	\$6,250,766.67
Horace Hagedorn	10	526.32*	\$ 333.33
John Kenlon	3,761	197,947.37*	\$ 125,366.67

 * In lieu of fractional share interest, Preferred Shareholder will receive cash equal to such fractional interest multiplied by "market price" (as determined under terms of Convertible Preferred Stock) at time of conversion.

THE SCOTTS COMPANY

NEWS

SCOTTS' PREFERRED SHAREHOLDERS CONVERT SHARES TO COMMON

COLUMBUS, OHIO -- October 4, 1999 -- The Scotts Company (NYSE:SMG) announced that its preferred shareholders had converted all of their Class A Convertible Preferred Shares ("Preferred Shares") into approximately 10.1 million common shares today. In exchange for this early conversion, shareholders consisting primarily of the Hagedorn Partnership, L.P., received a payment of approximately \$6.4 million, representing the amount of the dividends on the Preferred Shares that would otherwise have been payable through May 2000. Scotts agreed to accelerate the termination of certain standstill provisions in the Miracle-Gro Merger Agreement that would otherwise have terminated in May 2000, the month the Preferred Shares first could have been redeemed by the Company.

The Preferred Shares, issued in conjunction with Scotts' 1995 merger with Miracle-Gro, had a face value of \$195 million, and an annual dividend yield of 5% or approximately \$9.8 million.

Upon completion of the conversion, Scotts expects its number of basic common shares outstanding to be approximately 28.6 million shares.

In addition to reducing Scotts' future cash flow requirements by the amount of the \$9.8 million annual dividend, the conversion of the Preferred Shares will simplify the Company's earnings per share calculation. Due to seasonal factors, Scotts has historically recognized a loss in its first and fourth fiscal quarters. In addition, due to the existence of the Preferred Shares and other securities exercisable into common shares, the number of actual common shares outstanding have differed significantly from the number that would be outstanding on a fully diluted basis. Generally accepted accounting principles require the calculation of diluted earnings per share in loss periods to be based on the actual number of common shares outstanding, while the calculation for profitable quarters is based on the number of common shares outstanding on a diluted basis. As a result, the Company's annual diluted earnings per share did not equal the sum of the individual quarters. The conversion of the Preferred Shares will greatly reduce this difference (but will not reduce it entirely due to other securities exercisable into common shares), and should improve the calculation of Scotts' price earnings ratios and market capitalization by investors, financial information services and media.

For more information on The Scotts Company including access to the company's SEC filings, please visit our newly expanded investor relations web site at www.smgnyse.com.

The Scotts Company is the world's leading supplier of consumer products for lawn and garden care, with a full range of products for professional turf care and horticulture as well. The company owns what are by far the industry's most recognized brands. In the U.S., consumer awareness of the company's Scotts(R), Miracle-Gro(R) and Ortho(R) brands outscore the nearest competitors in their categories by several times, as does awareness of the consumer Roundup(R) brand which is owned by Monsanto. Scotts has entered into an agreement with Monsanto to be the exclusive marketing agent for consumer Roundup(R) worldwide. In the U.K., Scotts' brands

include Weedol(R) and Pathclear(R), the top-selling consumer herbicides; Evergreen(R), the leading lawn fertilizer line, the Levington(R) line of lawn and garden products; and Miracle-Gro(R), the leading plant fertilizer. The Company's leading brands in continental Europe include KB(R) and Fertiligene(R) in France and NexaLotte(R) and Celaflor(R) in Germany.

Statement under the Private Securities Litigation Act of 1995: Certain of the statements contained in this press release, including, but not limited to, information regarding the future economic performance and financial condition of the company, the plans and objectives of the company's management, and the company's assumptions regarding such performance and plans are forward looking in nature. Actual results could differ from the forward looking information in this release, due to a variety of factors, including, but not limited to:

- o Continued marketplace acceptance of the Company's "pull" advertising marketing strategies;
- o The ability to maintain profit margins and to produce products and add production capacity on a timely basis;
- o Competition in the North American and European consumer and professional segments;
- o Competition between and the recent consolidation within the retail outlets selling the Company's products;
- o Public perceptions regarding the safety of the Company's products;
- o Changes in economic conditions, interest rates and currency exchange rates in the countries in which the company operates;
- o The possibility of new competitors entering into the Company's business;
- o The ability to improve processes and business practices to keep pace with the economic, competitive and technological environment, including successful completion of the Company's Enterprise Resource Planning project;
- o The Company's ability, and that of its third party suppliers and customers, to address information technology issues related to the year 2000; and
- o The ability to integrate several recent acquisitions.

Additional detailed information concerning a number of the important factors that could cause actual results to differ materially from the forward looking information contained in this release is readily available in the company's publicly filed quarterly, annual, and other reports.

Contacts:

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(212) 232-2222

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(614) 719-5607