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SCOTTS COMPANY
Form 11-K
June 20, 2002

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SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 11-K

(Mark One)

ANNUAL REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

FOR THE FISCAL YEAR ENDED DECEMBER 31, 2001

OR

TRANSITION REPORT PURSUANT TO SECTION 15(d) OF THE SECURITIES EXCHANGE
ACT OF 1934

FOR THE TRANSITION PERIOD FROM TO

COMMISSION FILE NUMBER 333-35942

A. Full title of the plan and the address of the plan, if different from that of
the issuer named below:

THE SCOTTS COMPANY
UNION RETIREMENT SAVINGS PLAN

B. Name of issuer of the securities held pursuant to the plan and the address of
its principal executive office:

THE SCOTTS COMPANY
14111 Scottslawn Road
Marysville, Ohio 43041

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

INDEX TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

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Report of Independent Accountants

Financial Statements:

Statements of Net Assets Available for Benefits as of
December 31, 2001 and 2000

Statements of Changes in Net Assets Available for Benefits
for the Years Ended December 31, 2001 and 2000

Notes to Financial Statements

REPORT OF INDEPENDENT ACCOUNTANTS

To the Participants and Administrator of
The Scotts Company
Union Retirement Savings Plan

In our opinion, the accompanying statements of net assets available for benefits and the related statements of changes in net assets available for benefits present fairly, in all material respects, the net assets available for benefits of The Scotts Company Union Retirement Savings Plan (the "Plan") as of December 31, 2001 and 2000, and the changes in net assets available for benefits for the year then ended in conformity with accounting principles generally accepted in the United States of America. These financial statements are the responsibility of the Plan's management; our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit of these statements in accordance with auditing standards generally accepted in the United States of America which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Columbus, Ohio
April 9, 2002

THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS
AS OF DECEMBER 31, 2001 AND 2000

2001

2000

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Net assets available for benefits:		
Investment in master trust	\$170,065	\$ 80,491
Employer contribution receivable	3,087	4,135
Employee contribution receivable	5,056	7,113
	-----	-----
Total net assets available for benefits	\$178,208	\$ 91,739
	-----	-----

The accompanying notes are an integral part of the financial statements.

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

STATEMENTS OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS
FOR THE YEAR ENDED DECEMBER 31, 2001 AND 2000

	2001	2000
Increases:		
Employer contributions	\$ 37,559	\$ 39,193
Participant contributions	72,012	60,794
	-----	-----
Total increases	109,571	99,987
	-----	-----
Decreases:		
Net loss from master trust	5,683	2,739
Benefits paid to participants	17,419	5,509
	-----	-----
Total decreases	23,102	8,248
	-----	-----
Net increase in net assets available for benefits	86,469	91,739
Net assets available for benefits, beginning of year	91,739	--
	-----	-----
Net assets available for benefits, end of year	\$178,208	\$ 91,739
	-----	-----

The accompanying notes are an integral part of the financial statements.

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

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1. PLAN DESCRIPTION

Effective January 1, 2000, The Scotts Company Union Retirement Savings Plan (the "Plan"), a contributory defined contribution benefit plan, was established by the Plan's sponsor, The Scotts Company (the "Company"). The Plan is a contributory defined contribution benefit plan sponsored by The Scotts Company. The following brief description of the Plan provides only general information. Participants should refer to the Plan document for a more complete description of Plan provisions, such as eligibility, vesting, allocation and funding.

ELIGIBILITY

Certain regular domestic Union employees of the Company are eligible to participate in the Plan on the first day of the month immediately following or coincident with their date of employment. Certain temporary domestic Union employees are eligible to participate on the January 1 or July 1 subsequent to completing one year of eligibility service and attaining age 21.

EMPLOYEE CONTRIBUTIONS

The Plan provides for a participant to make pre-tax or after-tax contributions up to 15% of eligible wages, not to exceed the annual Internal Revenue Service (IRS) maximum deferral amount.

EMPLOYER CONTRIBUTIONS

The Plan provides a base retirement contribution for all eligible employees. Generally, eligible employees receive an allocation equal to 2% of monthly compensation. The Company also matches participant contributions \$0.50 on the dollar for the first 2% of participant contributions.

VESTING

Participants are immediately vested in their contributions plus actual earnings thereon. Matching contributions made by the Company vest immediately. However, base contributions made by the Company vest after three years of service, or upon attainment of age 65 prior to terminating employment.

FORFEITURES

The nonvested portions of participant account balances are forfeitable and used to reduce employer contributions to the Plan. Plan forfeitures totaled \$3,883 for the year ended December 31, 2001 and \$427 for the year ended December 31, 2000.

INVESTMENTS

All investments are participant-directed. Participants can change their investment options on a daily basis. The following investment options are available to participants:

- FIDELITY PURITAN FUND--assets are invested in high-yielding U.S. and foreign securities, common and preferred stocks, and bonds of any maturity.
- FIDELITY CONTRAFUND--assets are primarily invested in U.S. and foreign common stocks that are believed to be undervalued.

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- FIDELITY BLUE CHIP FUND--assets are primarily invested in common stock of established and/or rapidly growing companies. Approximately 65% of this fund's total assets invest in common stock of blue chip companies.
- FIDELITY WORLDWIDE FUND--assets are invested in stocks and other securities of companies located around the world.

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2001 AND 2000

- FIDELITY FREEDOM INCOME FUND--assets are primarily invested in bond and money market funds. A smaller percentage of assets are invested in equity mutual funds.
- FIDELITY FREEDOM 2000 FUND--assets are invested in a combination of equity, fixed income and money market mutual funds of Fidelity Investments. Assets are allocated among these funds according to an asset allocation strategy which becomes more conservative over time.
- FIDELITY FREEDOM 2010 FUND--assets are invested in a combination of equity, fixed income and money market mutual funds of Fidelity Investments. The asset mix becomes more conservative as year 2010 approaches.
- FIDELITY FREEDOM 2020 FUND--assets are invested in a combination of equity, fixed income and money market mutual funds of Fidelity Investments. The asset mix becomes more conservative as year 2020 approaches.
- FIDELITY FREEDOM 2030 FUND--assets are invested in a combination of equity, fixed income and money market mutual funds. The asset mix becomes more conservative as year 2030 approaches.
- FIDELITY MANAGED INCOME PORTFOLIO--assets are invested in investment contracts of major insurance companies and other approved financial institutions, and in other fixed income securities. A small percentage of assets are invested in money market funds to provide daily liquidity.
- SPARTAN U.S. EQUITY INDEX FUND--assets are invested in stocks and in approximately the same proportions as the Standard & Poor's 500 Stock Index.
- BARON ASSET FUND--assets are invested in stocks with prices perceived as low relative to the related companies' profits, assets, and other value measures.
- PIMCO TOTAL RETURN FUND--assets are invested in various types of bonds, including U.S. government, corporate, mortgage, and foreign bonds with an average portfolio duration of three to

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six years (approximately equal to an average maturity of five to twelve years).

- THE SCOTTS COMPANY SHARES--assets consist entirely of The Scotts Company common shares and cash equivalents.

BENEFIT PAYMENTS

Participants are eligible to receive benefit payments upon termination, retirement, death or disability equal to the vested balance of the participant's account as of the business day the trustee processes the distribution. The Plan also provides for hardship and in-service withdrawals for active employees under certain circumstances.

PARTICIPANT LOANS

Loans are available to participants from their individual accounts subject to the terms of the Plan.

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2001 AND 2000

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

The financial statements of the Plan have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles.

INVESTMENTS

Excluding participant loans, investments are stated at quoted market prices. Participants' loans are valued at cost, which approximates fair value.

ADMINISTRATIVE EXPENSES

The Company pays for all administrative fees except those that are participant specific, such as loan establishment and maintenance fees.

PAYMENTS OF BENEFITS

Benefits are recorded when paid.

USE OF ESTIMATES

The preparation of the Plan's financial statements in conformity with generally accepted accounting principles requires the Plan to make estimates and assumptions that affect the reported amounts of net assets available for benefits at the date of the financial statements, changes in net assets available for benefits during the reporting period and, when applicable, disclosures of contingent assets and liabilities at the date of the financial statements. Actual results

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could differ from those estimates.

RISKS AND UNCERTAINTIES

The Plan provides for various investment options, which are subject to various risks, such as interest rate, market, and credit risks. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of investment securities will occur in the near term and that such changes could materially affect participant account balances and the amounts reported in the statement of net assets available for benefits.

3. MASTER TRUST

Effective January 1, 2000, a master trust was established to invest certain assets of the Plan and certain assets of the Company's other defined contribution plan, The Scotts Company Retirement Savings Plan. Each plan's accounting is maintained separately; the respective plan's value is a percentage of the master trust. Plan activities, such as contributions and benefit payments, are recorded in the individual plan's accounting records.

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS DECEMBER 31, 2001 AND 2000

Net earnings of the master trust are allocated between the plans based on a weighted average of assets related to each plan. Total net earnings for the master trust for the year ended December 31, 2001 and 2000 are as follows:

2001	INTEREST AND DIVIDENDS -----	NET APPRECIATION (DEPRECIATION) IN FAIR VALUE OF SECURITIES -----	ADMINISTRATION EXPENSES -----
Mutual funds	\$ 3,201,181	\$ (15,290,778)	\$ (14,345)
Common trust fund	858,935	--	(3,431)
The Scotts Company Common Shares	23,687	2,054,105	(1,750)
Loans to participants	255,679	--	--
	-----	-----	-----
Total	4,339,482	(13,236,673)	(19,526)
	-----	-----	-----

INTEREST AND	NET APPRECIATION (DEPRECIATION) IN FAIR VALUE	ADMINISTRATION
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2000	DIVIDENDS -----	OF SECURITIES -----	EXPENSES -----
Mutual funds	\$ 7,548,026	\$ (12,332,300)	\$ (14,347)
Common trust fund	698,257	--	(2,681)
The Scotts Company Common Shares	31,542	(179,130)	(1,451)
Loans to participants	212,344	--	--
Total	\$ 8,490,169 -----	\$ (12,511,430) -----	\$ (18,479) -----

Total assets held in the master trust at December 31, 2001 and 2000 were as follows:

	2001 -----	2000 -----
Cash and cash equivalents	\$ 486,922	\$ 439,536
Investments		
Mutual funds, at fair value	112,359,577	119,120,168
Common trust fund, at fair value	15,190,528	12,901,238
The Scotts Company Common Shares, at fair value	6,786,189	8,538,029
Loans to participants, at cost	3,031,510	2,938,128
Total investments	137,367,804 -----	143,497,563 -----
Receivable from broker	1,076	226,447
Total master trust net assets	137,855,802 -----	144,163,546 -----
The Scotts Company Union Retirement Savings Plan interest in master trust net assets	0.123% -----	0.058% -----

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

Accounting policies discussed in Note 1 also apply to the master trust.

Cash equivalents include short-term, highly liquid investments with original term to maturity of 90 days or less. Cost approximates fair value.

At December 31, 2001 and 2000, the Plan held certain investments in

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mutual funds managed by the Trustee. Purchases and sales of these mutual funds are open market transactions at fair value. Consequently, such transactions are permitted under the provisions of the Plan and exempt from prohibition of party-in-interest transactions under the IRS Code and ERISA.

4. INVESTMENTS IN THE SCOTTS COMPANY

At December 31, 2001 and 2000, the master trust had investments in The Scotts Company common shares, as follows:

2001		2000	
SHARES	FAIR MARKET VALUE	SHARES	FAIR MARKET VALUE
142,567	\$ 6,786,189	231,148	\$ 8,538,029

The Company's common shares are valued at quoted market prices, which were \$47.60 per share at December 31, 2001 and \$36.94 per share at December 31, 2000.

5. TAX STATUS

The Plan has not yet obtained a determination letter from the Internal Revenue Service stating that the Plan is in compliance with the applicable requirements of the Internal Revenue Code. However, the plan administrator and the Plan's legal counsel believe that the Plan is currently designed and being operated in compliance with the applicable requirements of the Internal Revenue Code, and is therefore not subject to income taxes.

6. PLAN TERMINATION

Although it has not expressed any intent to do so, the Company has the right under the Plan to terminate the Plan or its contributions subject to the provisions of the Employee Retirement Income Security Act of 1974, and the Company's collective bargaining agreement with the Union. In the event the Plan is terminated, participants will become fully vested in their accounts.

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN

NOTES TO FINANCIAL STATEMENTS
DECEMBER 31, 2001 AND 2000

7. RECONCILIATION TO FORM 5500

The following is a reconciliation of net assets available for benefits per the financial statements to the Form 5500:

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	YEAR ENDED DECEMBER 31, 2001	YEAR ENDED DECEMBER 31, 2000
Net assets available for benefits per the financial statements	\$ 178,208	\$ 178,207
Amounts allocated to withdrawing participants	(1)	
Net assets available for benefits per Form 5500	\$ 178,207	\$ 178,207

The following is a reconciliation of benefits paid to participants per the financial statements to the Form 5500:

	YEAR ENDED DECEMBER 31, 2001	YEAR ENDED DECEMBER 31, 2000
Benefits paid to participants per the financial statements	\$ 17,419	\$ 17,419
Amounts allocated to withdrawing participants at December 31, 2001	1	
Amounts allocated to withdrawing participants at December 31, 2000	(29)	
Benefits paid to participants per the Form 5500	\$ 17,391	\$ 17,391

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SIGNATURES

THE PLAN. Pursuant to the requirements of the Securities Exchange Act of 1934, the trustees (or other persons who administer the employee benefit plan) have duly caused this annual report to be signed on its behalf by the undersigned hereunto duly authorized.

THE SCOTTS COMPANY UNION
RETIREMENT SAVINGS PLAN

Date: June 18, 2002

By: /s/ HADIA LAFVRE

Printed Name: Hadia Lefavre

Title: Executive Vice President,
Human Resources Worldwide

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THE SCOTTS COMPANY UNION RETIREMENT SAVINGS PLAN
ANNUAL REPORT ON FORM 11-K
FOR FISCAL YEARS ENDED DECEMBER 31, 2001 AND 2000

INDEX TO EXHIBITS

EXHIBIT NO. -----	DESCRIPTION -----
23	Consent of Independent Public Accountants

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