Japanese style memberships could provide capital for U.S. developments

By Bernard Baker

Japanese-style international memberships are appearing on the American scene and may provide the foundation for new capital markets for golf projects.

By U.S. standards, golf club memberships bring astronomically high prices in Japan. Many Japanese clubs sell memberships for more than $1 million. Memberships at Koganei near Tokyo recently traded for $2.7 million. The average Japanese membership trades for about $2,000,000.

The high prices reflect the scarcity of land, high development costs (often more than $50 million) and the mere 1,800 courses for the country's 20 million golfers.

Yet another factor has sent the cost of Japanese memberships soaring. Tradability.

Most memberships in Japanese clubs can be traded. Some people invest and speculate in club memberships. There is an over-the-counter market for memberships with brokerage houses specializing in them.

A unique feature of many memberships is that "use" rights can be "stripped" from other membership rights and handled separately. A person may own the membership for its investment potential and "rent" the right to use the club facilities to another person approved by the club as a "designated user." The membership can be traded subject to the rental arrangement with the designated user.

This transferability makes memberships suitable for purchase in blocks for later re-
What grows well and where

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...chemicals and water, further promoting a "Management on the Edge" mentality.

Certain maintenance practices are required on all grasses, although the timing may vary depending on turf type and region. For example, zoysiagrass should be aerified between June and August while bluegrass aeration usually is done after Labor Day.

Bermudagrass is normally overseeded in October and November in the South while bluegrass overseeding is recommended just after Labor Day.

Like grass, trees grow best in certain regions. Take them out of that region and they fall prey to many pests and diseases. For example, the Eastern white pine is very popular in the Southeast. But when planted in the Piedmont soils common in that area, they live only 15 to 25 years, their canopies thin and there is a strong possibility of root rot.

There are also trees and shrubs that grow best in wet soils, others that thrive in dry soils and those that do well in clay soils.

It takes a real professional to recognize the benefits of a superior turfgrass. These superintendents are pros at growing grass. Their expertise is invaluable in evaluating new turfgrass cultivars. So when we developed Providence and SR 1020 we went straight to them. We realized that university data was useful but that evaluation by outstanding superintendents under varied golf course conditions was more important.

These superintendents have all used Providence and/or SR 1020. Their comments have been enthusiastic about the performance of both cultivars: the color, texture, density, disease resistance, and heat and drought tolerance are outstanding.

Providence and SR 1020 also produce excellent putting quality. That's important to the superintendent and to the golfer. Especially, a professional golfer like Ben Crenshaw. Ben knows golf greens and appreciates a bent that can provide a fine textured, uniform surface with an absence of grain for true putting quality.

Both cultivars produce this outstanding turf and putting quality with reduced maintenance. That's important to superintendents, golfers, architects, and greens committees. So nationwide the pros agree, Providence and SR 1020 really are exciting new cultivars. They represent the new generation of creeping bentgrasses.