Club Corp. heads north of the border

By HAL PHILLIPS

The dollar values on either side of the 49th parallel may vary day to day, but the economic realities don't. The viability of golf course developments conceived during the real-estate speculation boom is tenuous on both sides of the U.S.-Canadian border.

After bidding for time, Club Corp. appears ready to capitalize on the situation. The world's largest golf course management company has lined up its first three golf acquisitions north of the border. Five more could soon be in the offing.

"All three of our new clubs were previously ill-advised as to the strength of the [real-estate golf] market," explained Randy Williams, Club Corp.'s director of business development. "The clubs are solvent, but they received some bad advice. In Ontario, the market has cratered.

"We've been looking at Canadian market for some time. It had been a situation where Canada wasn't ready for us and we weren't ready for Canada. But over the last two years we've made a concerted effort to get involved and it has blossomed into some deal flow."

The yield includes Granite Springs Country Club in Hallifax, Nova Scotia; Kings Valley Country Club in Aurora, Ontario; and The Spring Lakes Country Club in nearby Stouffville. Five more Canadian projects are under discussion and 10 to 15 remain in the embryonic stage, he said.

The three private clubs have potential, said Williams, but they desperately need new management focus. They can also use Club Corp.'s experience in stabilizing clubs caught in the real-estate gambit, he said.

"In Canada, it seems they're just getting into the idea of master-plan communities," said Williams.

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Workers' comp costs steady

By PETER BLAIS

While the cost of workers' compensation insurance is a troublesome issue in certain parts of the country, overall, golf course management companies have been able to keep costs down.

"Our experience is that workers' comp costs have relatively flat over the past few years," said American Golf Corp. Vice President Mike Heacock. "In fact, they went down last year, even in California, where people claim workers' comp costs are driving businesses out of the state."

Some abuse of workers' compensation benefits likely occurs at Club Corporation of America, said Charles Faubion, regional superintendent for the company's Central Division. But he had no personal knowledge of it that has occurred and it doesn't seem to be a major issue, he added.

"It seems like a terribly mismanaged area," Faubion said. "You never know when someone claims he hurt his back, for instance, whether he did it on the job or not. And once a person says he is injured, you have little choice but to pay him.

"False claims are hard to track down. You can't check the workers' doctors or the tests they order. You just can't verify a lot of this stuff." Heacock agreed, noting problems with claims have encountered in one Southern California facility.

"We bring on a maintenance employee, and within 5 or 6 months, he's likely to end up at a certain health clinic," he said.

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1991 Average Maintenance Expenses by Region

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<th>Region</th>
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Source: Powell Kerr Forster

GCN announces speakers for Public Golf Conference

CHICAGO — Golf Course News has announced the program and speakers for its new conference, "Public Golf '92," scheduled for Nov. 1-3, at Oak Brook Hills Hotel and Resort in Oak Brook, Ill. Managers of public golf facilities, including municipal and daily fee, should plan to attend.

"The program will provide a comprehensive look at the development and management of public golf courses," according to Mark Leslie, managing editor of Golf Course News and conference chairman.

"Topics will include trends in public golf facilities; profit-minded planning, feasability, expansion and construction, financing, approval processes, managing and maintaining the operation, and marketing strategies."

Featured presenters include: Raymond Finch Jr., co-owner of Emerald Dunes Golf Course; John Potts, director of Peoria Parks District; Stuart Cohen, president of Environmental and Turf Services; Vince Alfonso Jr., general manager and PGA head pro at The Rail in Springfield, Ill., and president of National Golf Course Owners Association; Richard Norton, VP and general manager, National Golf Foundation; Steve Lesnick, CEO at Kemper Sports Management; Ed Hoffman of Club Professional Course Architects; Larry Platt, president of Platt Golf Services; Fred Jarvis, principal at LDR International Land Planners; Ron Boyd, president of Williamsburg Environmental Group; and Scott Marlowe, partner, Forecast Golf Marketing and Financial Systems.

Also on the program are Don Barnett, marketing director at First Golf; Mel Lucas, links manager and turf consultant; Dean Wochaski, regional superintendent for American Golf Corp.; Reid Pryor, golf administrator, City of Indianapolis; Gary Gilson, partner-corporate finance with continued