CMAA Chicago Chapter hosts seminar

"The Chicago National Regional Workful club operation. Managers will hear from industry ex-

Operations focus of new CMAA manual

ALEXANDRIA, Va. — The Club Managers Association of America has released its new Club Operations Manual, a compilation of the best written material on maintaining proper club operations. One of the most significant components is the Operational Audit. Envisioned as the first part of a three-phase strategic planning tool, it provides a checklist model for an efficiently run club. Covered items include accounting, payroll/personnel, golf department, fitness and spa, racquet sports, food and beverage, membership marketing, physical plant, maintenance and risk management.

The Club Operations Manual also includes model procedures for such things as club organization, crisis communication plans, Americans with Disabilities Act awareness policies, salary administration and security procedures. The manual is available in WordPerfect 5.1. For more information contact CMAA at 703-739-9500.

RTC auctions

Continued from page 1

-cry auction, American Golf Corp., went head-to-head with Pennsylvania business- man Benjamin Goldman for several minutes. But AGC soon, followed by Goldman with the courses and Woolfon shaking his head. "The big golf buyers are just tired of jumping through all the RTC hoops," said Woolfon, noting that AGC executive Gail Goodrich spent six months and thousands of dollars researching Palm Aire and Oaks Golf & Racquet.

- "The cost of the due diligence process and the time involved in researching and putting together a bid are too much for many management companies. They feel there are a lot of other courses out there that are available with a lot less hassle."

Bob Husband, president of San Diego-based Cobblestone, said his company has avoided RTC auctions because of the up-front research costs and the emotional nature of a bidding process that often leads to a buyer paying too much for a property. "There always seem to be people who don't know the golf industry well enough to know what it is they are buying," he said. "They agree to terms that a disciplined buyer wouldn't accept."

"If you pay too-high of a price you usually have to adopt cost-cutting measures that hurt the course. I don't blame the RTC for putting courses up at an outcry auction and getting the highest price it can. That's its job. But buyers who pay too much for a course have to work to maintain its value. Golf operations must be driven by credit potential."

Husband said a sealed-bid process rather than an outcry auction not only makes it easier on those interested in buying a golf property, but could also attract more bidders. But even the sealed-bid prices on RTC-handled properties have gotten out of hand, AGC Executive Vice President Randy Williams, whose firm recently made a run at Oak Tree Country Club in Edmond, Okla. "That was unbelievable," Williams said.

"We generally make very few exceptions to a sealed-bid process. We think the process is as important as the price," he said. James Peterson, executive vice president of the real estate investing firm Kennedy-Wilson International, defended the auction process, claiming it attracts appropriate bidders and that prices are generally in line with the course's profit potential.

"We assisted RTC with the original round of Landmark Land Co. properties for $6 million in venture capital and bolstered its equity position. GATX has been an additional $3 million pledged by the RTC for putting courses up at an outcry auction," Williams said. "But even the sealed-bid prices on RTC properties you're seeing more sealed bids. Investors will look at the various properties and make their decisions accordingly."

"As for Palm Aire and Oaks Golf & Racquet, Peterson said, "I'm not familiar with that auction, but the physical asset's location drove the cost and the number of bidders."

Jim Peterson, executive vice president of LinksCorp, which handles the RTC, said: "I'm not familiar with that auction, but the physical asset's location drove the cost and the number of bidders."

"I am not aware of their reasoning. It's their business to do what they see fit, but we're getting good bids and good turnouts. If one wants to participate the opportunity is there."

LinksCorp

Continued from page 33

GC in Foley, Ala.; Tamarack GC in Chicago; Lakeside GC in Atlanta; Temple Hills GC in Nashville; Rockwood GC in Kansas City, Mo.; Castlewoods Country Club in Jackson, Miss.; and Rickenbacker GC in Columbus, Ohio. "We're strictly interested in an ownership situation, although we might consider taking a long-term lease," Blake said. "Management contracts simply aren't profitable enough."

LinksCorp was founded in late 1991 to purchase and operate what it terms "undervalued properties." Funded by $6 million in venture capital and another $3 million pledged by the original investors, LinksCorp is seeking an additional $4 million to $6 million to bolster its equity position. GATX has also provided debt financing. The company expects to be profitable in 1994.

"LinksCorp's executive team has extensive course management experience, Blake was formerly executive vice president of Kemper Sports Management, Chief Financial Officer David Flickwir held the title with American Golf Corp."

Director of Agronomy Bobby Miller was formerly head superintendent at Harbour Town Golf Links on Hilton Head Island, S.C., and director of course maintenance for Stokes-O'Steen, an operator of six Florida courses. "Bobby oversees course maintenance, capital improvements, construction and troubleshooting," Blake explained. "He's our quality-control person."

"LinksCorp utilizes the general manager concept at each facility, with the superintendent, head pro and clubhouse manager answering to a general manager."

The company rarely dismisses the existing staff when it takes over a golf course, according to Blake. "We generally make very few changes the first two to three months," the CEO explained. "Often, the existing staff has done a pretty good job. It's ownership decisions that have caused the course to under-perform. The staff has done a pretty good job. It's ownership decisions that have caused the course to under-perform. The staff has done a pretty good job."

Golf Course News