AGC plans to expand upscale daily-tee golf course holdings

By PETER BLAIS

SANTA MONICA, Calif. — American Golf Corp. hopes to shed its image as an operator of only municipal and low-end daily-tee courses by adding more upscale properties to its portfolio over the next few years, according to the company's head of acquisitions.

"It's important for us to establish credibility by acquiring high-quality properties," said Executive Vice President Joe Guerra.

"We've been viewed as an operator of affordable golf courses. The reality is that we operate in every segment — municipal, affordable daily-fee, high-end daily-fee, private entry-level and trade-up courses. We're similar to Marriott hotels in a way. They have several product lines among their hotels, everything from Fairfield Inns to their JW facilities. We have several product lines of golf courses."

Numerically, AGC is the largest operator of U.S. golf courses with more than 200 properties and 9,000 employees. Still, management companies in general operate less than 5 percent of all U.S. courses. Guerra sees that percentage growing.

At the same time, he foresees the number of management companies declining, with bigger operators getting bigger and smaller operators selling off their holdings as they realize the enormous returns they'd anticipated simply aren't available.

"The golf industry needs professional management services," the AGC executive said. "Between 1992-94 we saw many developers building courses. They liked the idea of building, but not necessarily the everyday operation of the course."

"AGC is not an owner of courses. We're a lessee and operator. We want to make a reasonable and fair profit. Our ratio of employees to customers is fairly high. You throw in uncertain weather and chemical costs, operational problems and a ton of other potential setbacks, and"

RMA finds niche in university management

By PETER BLAIS

Resort Management of America operates three courses. The pro shops at all three were recently listed among Golf Shop Operations "America's 100 Best Golf Shops."

Now why, you might ask, would a superintendent's newspaper be concerned about that? Primarily because it indicates the philosophy behind one of the up-and-coming course management companies in the United States.

"My goal is to hire someone who knows more than me in each area of course operations and then get out of his or her way," said RMA President Henry DeLozier.

In the case of the pro shops at RMA's three layouts — Arizona State University's Karsten Golf Course (GC) in Tempe, Stone Creek GC in Paradise Valley, Ariz., and University Ridge GC in Madison, Wis. — that person is Retail Director Becky Adams.

In the case of course maintenance at the three layouts, that person is Director of Agronomy Tom Regan. Prior to joining RMA, the Pennsylvania State University turf school graduate was head superintendent at Bethesda (Md.) Country Club and

MARKETING IDEA OF THE MONTH

Partnering with hotels can increase course profits

By PETER BLAIS

ORLANDO, Fla. — By working with local hotels, a public course can add dozens of people and thousands of dollars to its marketing efforts at very little cost, according to Elaine Fitzgerald, president of a South Florida marketing firm and one of the featured speakers at Golf Course Expo held here.

"The golf industry as a whole is behind in marketing and public relations," the president of Fitzgerald Productions Inc. told a group of course owners and operators attending the Golf Course News-sponsored event. "That's largely because a stand-alone golf course has so few employees. A course usually has one person in a marketing position or the owner does it himself."

To overcome that situation, Fitzgerald developed a partnership between 25 area hotels and two upscale Broadway County courses, Deer Creek Golf Club in Deerfield Breach and the Carolina Club in nearby Margate.

The hotels have large sales teams with combined marketing budgets totaling millions of dollars. They promote the golf program in corporate mailings, at national and international trade shows for travel agents, and on sales missions to associations and other groups.

They advertise the course in magazines and newspapers. The result for the courses is increased play by vacation

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