BRIEFS

PALM COAST HIRES THOMPSON

PALM COAST, Fla. — Palm Coast Resort named Jerry Thompson director of golf for its four championship 18-hole courses, designed by Gary Player and Arnold Palmer— Cypress Knoll Golf Club, Matanzas Woods Golf Club, Palm Harbor Golf Club, and Pine Lakes Country Club. He will also oversee the operations of Palm Coast Resort's fifth course, a Jack Nicklaus Signature layout, when it is completed in September, 1997. Thompson joins Palm Coast Resort after 12 years at PGA National Resort and Spa, where he served as head golf professional of the five courses at PGA National Golf Club.

RMA TO MANAGE PHOENIX LAYOUT

PHOENIX, Arizona — Resort Management of America (RMA) has been selected to manage Chaparral Pines golf club and homeowner recreational facilities near Payson, according to RMA President Henry DeLozier. The Phoenix-based golf course management firm operates two other Arizona golf facilities: Stonecreek, The Golf Club in Paradise Valley and the ASU-Karsten Golf Courses in Tempe.

Henry DeLozier

IGM AWARDED FLORIDA CONTRACT

LAKELAND, Fla. — International Golf Management, Inc. has been retained to provide professional golf course maintenance services on a contractual basis for Brooksville Golf & Country Club in Brooksville, Fla. International Golf Management will provide complete golf course maintenance and landscape management services for the member-owned, 18-hole course. In other IGM news, Scott Campbell has been retained as superintendent of IGM-managed Sandridge Golf Club in Vero Beach, Fla.

FAIRWAYS TAKES ON LITRENTA

KSL Fairways (KSLF), the community golf division of KSL Recreation, recently named Keith H. Litrenta vice president of business development and acquisitions. Litrenta joined KSL Fairways in March 1993, serving as chief financial officer until May 1996 and interim chief executive officer of Lake Lanier Islands Resort, a KSL Recreation property, until August 1996. Litrenta brings 17 years of financial and operational experience, including Big Six and Fortune 100 companies, to his new role.

OB Sports acquires Vegas' Legacy

PORTLAND, Ore. — OB Sports, a golf course development, management and design company, has purchased The Legacy Golf Club in Henderson, Nev.

OB Sports also owns and operates Angel Park Golf Club, which is located on the other (western) side of Las Vegas.

OB Sports has managed The Legacy under contract since 1989. "We are very excited about this purchase," said Orrin Vincent, president of OB Sports. "The Legacy is a golf course which we built and have managed since it opened more than six years ago. Not only do we know all of the intricacies of this facility, but we really know and appreciate the value of the Las Vegas market."

As a first act of ownership, OB Sports changed the turfgrass on all 18 greens at The Legacy. John Fought Design, a subsidiary of OB Sports, also made slight alterations in the shapes of the greens.

Consolidation name of FGCI's game

By PETER BLAIS

MELVILE, N.Y. — Based on its aggressive financing and acquisition strategy, Family Golf Centers Inc. (FGCI) appears well on the way to meeting its goal of becoming the prime consolidator in the stand-alone, golf driving range industry.

In July, the publicly held company completed a successful offering of 3 million shares of its common stock at $27 per share. FGCI plans to use most of the $75 million raised to acquire, lease, or develop new practice centers; improve its existing golf facilities; and build up a working capital fund.

The recent purchase of Pin High Golf Center in San Jose, Calif., increased the company's holdings to 25 facilities in 11 states, including seven Golden Bear Golf Centers licensed by Jack Nicklaus' Golden Bear International. Plans are to operate 30 practice centers by year's end and 50 by the end of 1997.

"We have an infrastructure with enough assistant managers in training that we could staff another 50 right now," said President Dominic Chang. "But we'd like to have more controlled growth, somewhere between 15 and 20 facilities per year. That means we should have more than 100 centers by the year 2000."

FGCI reported its net income rose 115 percent to a record $1.574 million or 18 cents a share for the second three months of 1996, up from $729,000 or 15 cents per share from the same period a year ago. Sales for the quarter were up 87 percent to $6.852 million from $3.655 million in 1995.

Those increases are due largely to the aggressive growth the company has experienced over the past four years. Chang, who holds a master's degree in industrial engineering and was a high-level executive with the Bank of New

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Dominic Chang

PERSONNEL PERSPECTIVES

Employees must know what you expect of them

By VINCE ALFONSO

It was a hot June day, during my second year as head professional and general manager of Holiday Golf Club in Olive Branch, Miss. We were just getting things off the ground. I had a million things to do that day but I had promised to meet with Tom, one of my golf car boys. I rushed into my office, a few minutes late, plopped down in the chair behind my desk, and said, "Go Tom, I'm all ears."

Vince Alfonso

Tom stuttered and stammered, asking me question after question for over 10 minutes. To each question I answered, "Yes, Tom, that's true." or "That's correct."

When he finished, I said: "Let me see if I have it straight. You believe you have earned a raise because you have: (1) shown up for work on time, or called in to tell me you would be late; (2) performed all tasks given to you without grumbling or complaining; (3) never reported to work drunk or stoned; and, (4) never given me cause to suspect you of stealing." There was a long silence, then a big gulp by Tom. He straightened his frame, raised his chin up and said with confidence, "That's right, Mr. Alfonso."

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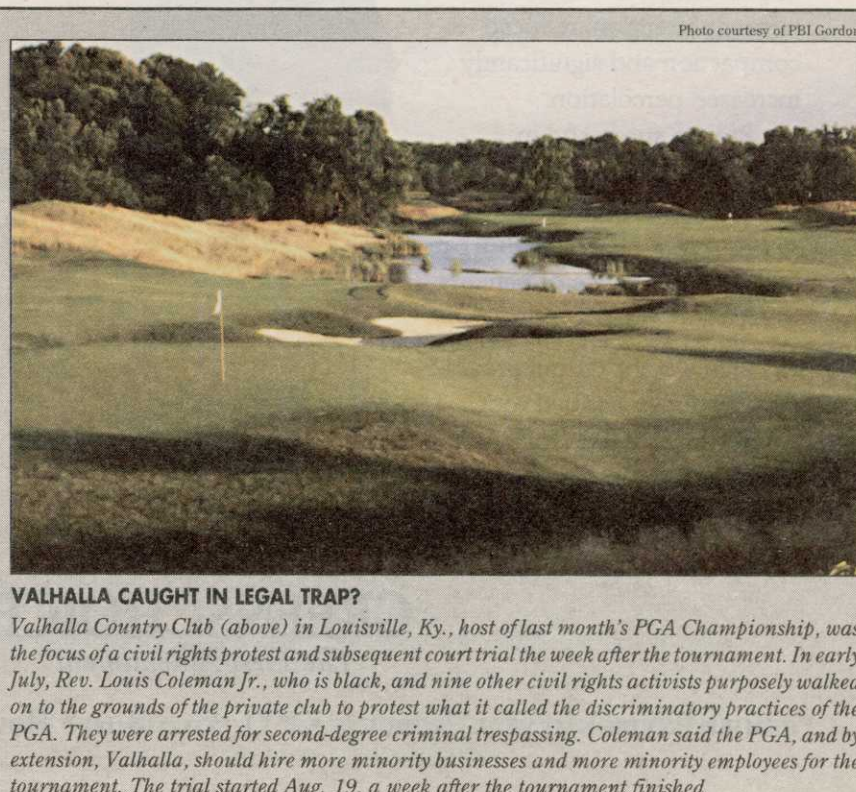
Photo courtesy of PBI Gordon



VALHALLA CAUGHT IN LEGAL TRAP?

Valhalla Country Club (above) in Louisville, Ky., host of last month's PGA Championship, was the focus of a civil rights protest and subsequent court trial the week after the tournament. In early July, Rev. Louis Coleman Jr., who is black, and nine other civil rights activists purposely walked on to the grounds of the private club to protest what it called the discriminatory practices of the PGA. They were arrested for second-degree criminal trespassing. Coleman said the PGA, and by extension, Valhalla, should hire more minority businesses and more minority employees for the tournament. The trial started Aug. 19, a week after the tournament finished.

FGCI taking the range market by storm

Continued from page 41

York for 18 years, started the firm with a single center in 1992. He added a second facility in 1993, and three more by the time the company first went public in November 1994. FGCI added 10 more centers during 1995 and another 11 through the first six months of this year. Most were acquisitions of existing facilities.

"A number of family-run centers lack the capital that we have to renovate their facilities up to today's standards," Chang said. "In other cases, the operators are getting up in age and want to retire. Traditionally, they hoped a residential or commercial developer would offer to buy them out and put houses or businesses on the property. But with the real-estate market slump, the offers haven't come. We provide another way for them to exit the business."

FGCI targets communities with attractive demographics and tries to buy the best facility in that market. It then upgrades the center to a full-fledged Family Golf Center. For example, when it purchased Peachtree Masters Golf Center in Duluth, Ga., last year, FGCI added an 18-hole, par-3 course, sheltered hitting area on the driving range, full-service pro shop, miniature golf course and batting cages.

The ideal Family Golf Center, Chang said, would sit on a 15-to-20-acre parcel with 80 tee stations, a 275-yard range, chipping and pitching areas, a par-3 course, miniature golf course and 5,000-square-foot clubhouse.

Once it has a presence in a certain market, the company seeks to cluster additional properties nearby to benefit from marketing and cost efficiencies. It operates six centers in the New York City metropolitan area, four in upstate New York, and two each in suburban Atlanta, Virginia Beach, Va., and the San Jose, Calif., area.

"It [clustering] gives us buying power with suppliers," Chang said. "We have the capital to improve the facilities once we buy a property, and many need a facelift. And we have the marketing expertise we can use at several facilities."

When existing facilities aren't available, Family Golf's own construction company can build a center. FGCI constructed five of its facilities from the ground up, taking anywhere from four to six months to build each one.

The firm also manages municipal golf centers in New York and El Segundo, Calif. The city of Seattle has selected FGCI to develop and operate a golf center and executive course in the downtown area. The company finds municipal centers attractive because of their large population bases and the reduced level of capital investment compared to privately owned facilities, according to its annual report.

The company is trying to increase use at its existing centers, especially during off-peak times, by providing special programs for groups and schools. It plans to expand its marketing budget three-fold (to between 2 and 3 percent of total revenues) and hopes to hike merchandise sales at its centers.

"The big retailers, like Nevada Bob's, compete on price," Chang noted. "But as golf clubs become more expensive, customers increasingly want to try them out before buying.

"Nevada Bob's might have space for a customer to hit a ball five yards into a net. At a facility like ours, a golfer can try out the club in every situation. And we have instructors and golf pros on staff who can push our merchandise."