**Upper Midwest market growing unabated**

Wolverine state leads nation in course openings four years running: How much is too much?

**By Peter Blais**

They are five of the coldest, wettest states in the country, not exactly ideal conditions for golf course development. And yet, Michigan, Illinois, Ohio, Indiana and Wisconsin — which the National Golf Foundation (NGF) collectively refers to as the East North Central region — accounted for almost one-fourth [23 percent] of the 1996 new course openings, according to the NGF's most recent Golf Facilities in the United States report. Each state can be found in the NGF's Top 10 list of new course openings.

A source of pride? Yup. A cause for worry? Ditto. “There is concern about saturation of golf in Michigan,” said John Dodge, president of the Michigan Golf Course Owners Association, whose state topped the chart for the fourth consecutive year with 34 openings in 1996. “We already have one of the highest participation rates in the country [17 percent], so bringing new golfers into the market is difficult compared to somewhere like Alabama [7 percent] where they have the demographic potential to attract more people.”

Two distinct golf markets exist in Michigan, urban golf in the southern cities and resort golf, mainly in the northern part of the state, Dodge said. “Studies show there may be room for a few more courses in urban areas, like Detroit, because of the population,” Dodge said. “There are an awful lot of courses opening up north, but it’s mainly a tourist area with a short golf season and no convenient air flights. The state recently doubled its promotion budget for golf, realizing we’ve been losing many of our best customer areas like Ohio, Minnesota, Illinois and Indiana to Southern resorts.”

“Michigan is supposed to open something like 30 courses annually for the next three years. As owners, we have to do something to create more golfers to fill them.”

Michigan’s southern neighbors are generally more optimistic about the market for new courses. Continued on page 70
NGF's 1996 report highlights

Other 1996 highlights from the National Golf Foundation’s Golf Facilities in the United States report:
- Nationwide, 442 courses opened with 319.5 18-hole equivalents, down 5 percent from a year earlier.
- Forty-eight golf facilities ceased operation. Illinois had the most closures with five; California, New York and North Carolina had three each. The five-year average for closures is 33.
- Courses under construction numbered 850, the highest total in the 20 years NGF has tracked new course development. Of those, 658 are scheduled for a 1997 opening. History shows that two-thirds open on time, meaning roughly 440 more courses should open this year.
- Approximately 88 percent of all openings were daily-fee facilities, compared to 86 percent in 1995. All 11 New England openings were public, making it the region with the highest percentage of public openings for the third straight year.
- Sixty-one percent, or 268 of the 442 courses, were located at new facilities. Eighty-nine of the new courses were nine-hole layouts. In all, 245 new golf courses were nine holes, representing 55 percent of all new openings.
- The number of facilities reached 14,341, 70 percent of which were public.
- The 15,703 golf courses nationwide totaled 231,630 golf holes (12,885 18-hole equivalents).
- South Dakota and Myrtle Beach, S.C., continued to rank No. 1 in terms of potential golf accessibility at the state and Metropolitan Statistical Area, respectively.

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Still, when recently opened Arnold Palmer-designed Tartan Fields next to Jack Nicklaus-designed Muirfield Village began its membership drive, it sold 150 memberships at $20,000 apiece the first day.

Upscale, daily-fee facilities led Indiana to a 9th-place showing with 16 new courses opening last year, according to Mike David, executive director of the Indiana Golf Association.

"There have been very few private courses built in the last three years, and those few have usually become semi-private or memberships," he said. "Otter Creek [Columbus] and Golf Club of Indiana [Indianapolis] used to be head and shoulders above the rest of the state’s courses. But some very good public facilities have opened in the past few years and are already ranked in the Top 10 in the state, very much in the same league with Otter Creek and The Golf Club of Indiana.

The new upscale, public courses are performing well, generally hosting a healthy 25,000 to 35,000 rounds a year, David said. "A few more will open this summer," he added, "including Prairie View on the north side of Indianapolis, a Robert Trent Jones Jr. course that people are very excited about. Things should level off in the next one or two years. But all the new courses have found a niche, even the ones in fairly remote areas. We seem to be catching up with the demand."

Wisconsin is 10th on the Top 10 list, with 15 new tracks opening in 1996. The state is blessed with the second-highest participation rate (18.2 percent) in the country, a nationally-acclaimed junior golf program and an abundance of developable space, particularly in the northern vacation areas, explained Steve Quale, executive director of the Golf Foundation of Wisconsin.

"At this point, there is plenty of play at all the new courses," Quale said. "The danger is that we could get too aggressive with building, although we’re not currently at that point. We realize that we need to build up our base of junior players to make sure these courses are filled in the future."

The Golf Foundation of Wisconsin, Quale said, is introducing several thousand juniors to the game every year at very affordable rates through $1-a-lesson programs with local PGA pros; $1 green fees at Milwaukee County park courses; $1-per-club equipment sales; competitive events at area par-3 courses; and developing par-3 facilities, like Milwaukee’s Nygus Park, for junior-player use.

"Participation nationally has been flat the past few years," Quale said. "The game has basically been limited to Baby Boomers who can afford the game. But with Tiger Woods coming along, we realized we need to make the game affordable for young golfers. We can open the market to junior players, but will the golf industry react by making fees affordable for them? I don’t know."