I would first like to extinguish the rumor that John Deere will be announcing their first golf car on the floor of GCSAA’s 89th International Golf Course Conference and Show. Our sources at Deere tell us it’s just not happening—yet.

Second, the early word from the National Golf Foundation (NGF) is that another 429 golf courses opened (that's including expansions) in 1997, making it the third year in a row the number has gone over the 400 mark. But don't look at that number as going to dwindle anytime soon.

There are, at this time, 932 courses currently under construction, more than any other year since the NGF has been keeping these records. And since, historically, two-thirds of the courses under construction come online the following year... well, you do the math.

To keep this boom rolling into the millennium—which it just might do anyway—the industry must be concerned about budging the stagnant player participation numbers. The time seems to be right. With the baby bopper market getting old and the predicted glut of young and eager Tiger Wood’s fans, we may finally see movement in those numbers. We're looking at 8-10 years for the numbers to climb another 140-acre point.

The UK government has cleared Textron's acquisition of Ransomes. According to wire sources, Secretary of State for Trade and Industry Margaret Beckett said she has decided not to refer the proposed acquisition by Textron of Ransomes to the Monopolies and Mergers Commission. According to a report in the governmental hang ups that Ransomes Chief Executive Officer Peter Wilson spoke of last month (see GCN, January, 1998) are of little concern at this point.

According to Ransomes, the new shareholder vote date was scheduled for January 27, which is, unfortunately, eight days past their February deadline. So if you're reading this editorial on the show the GCSAA show floor, you may want to do a little investigating yourself at the Ransomes booth. From our report in GCN January (page 67), the probable deal is locked upon quite favorably by both Ransomes and Jake distributors.

You are, in fact, walking the show floor or taking a much needed break at GCSAA, you may want to take a deep breath and another bite of nourishment. Create an agenda. What do you want to take back home with you? Don't get caught in the sensory overload.

Required reading this month is at the bottom of this page.

Builder's awards offer compelling look inside the industry

A ccolades. We all love them. Too often they are not uttered until the funeral. Old Farmers Almanac publisher and Geiger Bros. owner Ray Geiger, knowing he was about to die, held his own wake before he passed on a few years ago so that he could hear all the nice things people had to say about him.

Well, few of us can, could, or would do such a thing. And there's fascinating, instructive downright uplift to receiving so many unsolicited testimonials in the last month about the golf course builders who had been nominated for GCN's annual Best Golf Course Builder and Best Small Golf Course Builder awards. It’s a compelling look, in fact, at the people in this industry—at both ends. First, there are the golf course builders whose livelihood depends on how well they do their job and please their clients. At the other end are the clients—developers, course architects and superintendents—who would go out of their way to tell us how impressed they are with a certain builder.

At the risk of sounding too kissy and mushy, and even like an outright "homer" for the golf course construction industry, I gotta say... Here’s course designer Dana Fry’s handwriting: "The best things about Niebur Golf are the quality of job superintendents and shapers. They are as good as it gets in this business. They also have what I believe to be more than several important things in a business, and that is a good leader in Joe Niebur. When he tells you something it is not an empty promise. He gets the job done right, and he is a great person to work with."

Here’s the highest Country Club President and General Manager Jay DiPietro saying: "Simply put, Ryan Golf [of Florida] exceeded our expectations in each of the categories listed on your questionnaire. After making a few notes prior to compose this letter, I thought to myself, 'Who would believe this; it sounds too good.' But the fact proved to the absolute guilt that Ransoms deserves the highest marks for each category." Here’s York Downs Golf & Country Club General Manager Leo A. W. Blindenbach saying of Turf Drain, Inc.: "The professionalism shown by [President] Geof Corlett and his crew was beyond the call of duty. They really were the first to present the facts with the results and the incredibly small amount of inconvenience caused by such a major overhaul."

Here’s architect Jim Eng saying of RBI Golf: "These guys did a phenomenal job on a tough project (Red Hawk Golf Course in Castle Rock, Colo.)."

Unsolicited comments, all. And these companies did not win.

This is a testimonial for the industry, methinks. By and large, and especially compared to other industries, the back-biting is rare; the mutual respect and support is the norm. "They're so surgical and they mess up so little." "Surgical?" I laughed. "You have no idea."

One of my favorite comments came from Lester George of Colonial Golf Design about Best Small Builder winner Quality Grassing Inc.: "Their renovation work is particularly excellent," he told me. "They're so surgical and they mess up so little."

"Surgical?" I laughed. "Anybody can lay it off an arm," George said, “but these guys can do delicate facial stuff.

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GUEST COMMENTARY: OVERVIEW OF THE ASIAN ECONOMIC CRISIS

Golf in Asia: Near-term hardship, long-term benefit

By RON FREAM

The press, television and radio have been full of stories discussing Asian economic turmoil, which came to a head in August, 1997. Over the past six months, around the region, country by country, Asia has suffered varying degrees of economic instability. Predictions are dire for the near term in numerous countries. But there are the implications for golf course development and golf in Asia during this period of economic instability?

The situation we have now actually began to appear several years ago. The following is a quick survey of where we were today:

Thailand began experiencing a real estate and golf membership sales slowdown about three years ago. Real estate sales around golf in Malaysia began suffering several years ago. Membership sales also began softening several years ago due to over supply. Membership values quiet escalating across Japan more than four years ago.

In China, real estate salesリフォーム have been declining or marginal for perhaps two years. Home sales on golf courses have really not taken off in China. Membership sales have slowed. Across Asia, the decade-long speculative rise in club membership prices also was in decline before the Thai Central Bank implored.

In Indonesia, the large population and expansion of the middle class helped buoy the demand for membership golf. In the Philippines the government has been supportive of some resort development as well. India has been in political and associated economic disarray for nearly two years while golf development has been sporadic and poorly implemented in most cases to date.

In Taiwan, population demand for and limited supply helped support existing courses. Land acquisition and site limitation difficulties have been holding back golf development there. Korean instability is of recent origin, surely helped by the onrush of expanding economic disarray elsewhere. Membership sales will slow. Membership values will drop, at least in the near term.

Manila has pent-up demand for residential housing and golf. A relatively soft reduction in property development and real estate purchase, or golf membership purchase, is existing. Existing courses are seeing good volumes of play.

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What will be the outcome of all this economic discord?

In the long run, there will be distinct benefits in numerous ways. In the short term — the next year or two — owners of existing courses will see increases in play as demand pressure continues to grow and the supply of new courses declines.

Elective travel outward from the various Asian countries will likely slow. Golfers will play local or in-country courses more and travel elsewhere for golf holidays less.

Want-to-be golf developers will be giving more consideration to location, market demand and financial feasibility than was generally seen a few years ago. The oversupply situation in some areas caught the attention of the more astute developers well before the present economic turmoil hit.

Having market demand and meeting that demand is a key to success. There will be some reapportionment of use of facilities as in-country demand continues to grow, if more slowly, and where excessive numbers of facilities, such as in South China and around Kuala Lumpur, caused oversupply.

Reductions in membership joining fees, together with oversupply, will help absorb new players. New players also will be fewer in the near term as economic uncertainty regarding employment will discourage some from considering golf as a sport and social activity.

In addition, recent currency devaluations certainly will raise the cost of obtaining that new set of clubs, or even purchasing the first set, particularly if the clubs are imported. Golf balls too, are much dearer now than they were a few months ago.

For those with extra funds, a selective purchase of a few club memberships could pay off very well in several years time, as demand for memberships returns and the slow down in creating new courses increases demand to play upon a reduced number of courses. The location of the course, and the quality of the facilities on offer, will influence the desirable memberships to purchase. The speculative frenzy to purchase memberships of the late 1980's and early 1990's should be a thing of the past.

Those with courses in play now must sit through the turmoil. In some locations, play will decrease. Where the membership has been purchased already and some years ago, play will become more active. The market sales value of the membership will be down, but monthly subscriptions will, in many cases, still be paid promptly since the option to play elsewhere has been reduced.

Daily-fee public courses will experience higher volumes of play as the economic readjustment shows new signs.

Where housing sales are depending upon golf to raise the market price, buyers able to meet that price will be less common. Overbuilding of golf residential communities can be offset or even benefit, as the number of new and competing projects will diminish.

If the property developer has enough money and the desire to take some risk, completing a golf project over the next two years or so could produce an attraction.
Hurdzan on builders
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No architect would disagree with me when I say that a great builder can make your work look outstandingly good, and a poor contractor can butcher the greatest design in the world. Some builders have taken bad golf course plans and made enough field adjustments to fashion a good golf course, but to have the designer get all the credit.

These are good times for golf course builders, for many courses are being built. However, not so long ago when the country was facing high inflation, the interest rates and rising wages made it difficult to make a profit, or even stay in business. This affected every golfer who appreciates a fine golf course. Each time we lost one of these artisans, the evolution of course design was set back for we lost the subtleties of interpretation so necessary to produce a great golf course.

MacCurrey honored
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GCSAA Foundation, is open to undergraduate turf students. Each applicant must either be a junior or senior at an appropriate career preparation and appropriate career preparation and offer degrees in turfgrass management. Applications are also available on the GCSAA Web site (www.gcsaa.org). The application deadline is June 1, with the judging process to be completed by July 15. Finalists will be recognized for their expertise in the turf management field. MacCurrey began his career as golf course superintendent at Valley Country Club in Warwick, R.I. In 1962, he became the 45th person to receive the title of Certified Golf Course Superintendent from the GCSAA. MacCurrey became the PGA Tour’s first agronomist in 1974, and was named senior agronomist in 1988. In 1994, he received the GCSAA’s Distinguished Service Award.

“Allen’s contributions to the PGA Tour specifically, and the turfgrass business in general, are immeasurable,” said PGA Tour Commissioner Tim Finchem. “As senior agronomist, he played a leading role in establishing the standard of excellence for course conditioning at Tour events. The scholarship is an appropriate way of honoring Allen’s years of dedication to the PGA Tour and the Golf Course Superintendents Association of America.”

Mastroleo wins Distinguished Service
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manage Fox Hills Golf Course in 1959. Eleven years later, he became superintendent at Hillcrest Country Club, where he has been for nearly 30 years.

“Dave Mastroleo is the epitome of what golf course superintendents are all about,” said Bruce R. Williams, certified golf course superintendent at Los Angeles Country Club and GCSAA immediate past president. “He has spent a long career giving and sharing while asking for nothing in return. Dave is a shining example of the spirit of volunteerism, with over 40 years of contributing his time and talents to various GCSAA chapters and allied turfgrass organizations.”

Mastroleo has been a GCSAA member since 1954, and is a member and past director and president of both the California Golf Course Superintendents Association (GCSAA) and the GCSA of Southern California. He is also past president of the California Turfgrass Council.

“As a mentor, Dave has a long list of successful superintendents who benefited from this tutelage. The respect that those former trainees have for Dave is immeasurable, and many of them pinpoint Dave Mastroleo as the primary factor for their success,” Williams said.

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tive return on investment.

Slightly longer or longer to plan, build and open a golf course, having inventory on stream as the local economy revives and pent-up economic demand expands, puts upward pressure on membership and greens-fee prices.

Daily-fee courses can manage current situations by greens fee adjustments and smart marketing of existing facilities. As player demand expands again, and it surely will, daily-fee operators or semi-private clubs with excess capacity, can attract new players. As demand increases again, there will be upward pressure on greens fees. For the in-place existing operator, this pressure of increased play and higher greens fees will clearly add to the profit margin. Membership values will increase as player demand increases.

Tourism golf will be a beneficiary as the various Asian economies recover. Tourism is here to stay. It is the single largest industry in the world. A couple of years of staying “home for the holiday” will surely rekindle the desire to play elsewhere when the confidence in the income stream and local economy has returned.

Existing resort courses or those now in construction that are open as the tourist demand returns, will benefit.

Since Southeast Asia has many of the world’s most attractive seaside-sunshine locations, tourist arrivals from elsewhere, primarily North America and Europe, will see business now and in the future. There are some bargains at hand where recent currency devaluations have made local prices more attractive. Smartly managed resort courses can see direct benefit from increased international tourist travel.

Regional tourism will also benefit. Japan finally gets their economy back in equilibrium. Traveling Japanese golfers, because they cannot afford to play golf at home, constitute a considerable percentage of the 15 million or so Japanese players and the approximately 5,000 driving ranges that continue to produce more players. In the future, the Japanese golfer will be even more important. Cost factors, politics and environmental issues will prevent Japan from ever again building huge numbers of courses as happened in the 1980’s. This means ever more Japanese will be seeking out other locations to play their golf. Korea, Guam, Saipan and the Philippines can be the earliest beneficiaries. China also can accommodate the Japanese golfer conveniently.

The Chinese are observers, not avid participants in the current Chinese golf market. Expatriate and speculative buyers drove much of the recent Chinese market demand. A large number of new courses across China is unlikely due to limited land availability, water availability problems, population pressures and other economic and political concerns. Chinese travelers will increase in number geometrically in the coming years. Golfers will be among those travelers.

Excessively high land prices in the Pacific Basin will benefit from the Japanese and Chinese tourist golfer. Korea and Taiwan can benefit most easily. The Philippines can certainly gain tourism golf visitors from China, Japan, Korea and elsewhere. More tourist quality destinations for eager golfers must be provided, however.

Those who can develop new courses in China in the next few years will clearly benefit, so long as the site selected for the new course is a solid one in a good location with adequate market analysis and with experienced planning and design. Excessive development costs are the last thing a smart golf developer will want. The correct location is vital. Medio cre design and construction results will not be financially successful.

It has been my privilege over the past many years to view the overall Asian golf market for more than 25 years, that these recent and ongoing economic readjustments will have considerable benefit, in spite of near-term hardship. The desire to play golf will overcome financial concerns.

Overbuilding of courses using ill-sited locations, grandiose design schemes and eccentric clubhouse goals, will cause bankruptcy and distress for some. Overly expensive courses built more at the whim and ego of a signature player, or optimistically expanded courses manage to clearly focused on financial reality, will decline.

If future golf courses are master planned and designed in logical locations, with a clear understanding of the specific market target, with reasonable construction costs, with modest, yet comfortable, functional clubhouse facilities, golf can be offered that will accommodate the vast majority of present and future players.

It must be recognized that Asia is diverse in very many ways. The effects of the current economic turmoil will impact each country differently while the timing of the impact, the duration of the downturn as well as the severity, will vary and may rotate. The emergence from adjustment and correction actions will surely vary. Politics and strength of conviction on the part of the various national leaders will have direct bearing on the timing and rate of recovery.

The ongoing dip in golf play and golf development activity will be viewed in the new millennium as but a pothole in an otherwise profitable and expanding industry. There will be more that 60 million golfers around the world by 2001. That is a major market to target.