Vietnam’s growing pains: Part II

Edit Note: The following is part II of Andrew Overbeck’s overview of the Vietnamese golf course development market. The story picks up from page 46 of September’s Golf Course News.

By ANDREW OVERBECK

T

he next two golf courses are in Dalat and Phan Thiet and are close enough to be weekend courses for Ho Chi Minh City residents, but they are best positioned to attract resort golfers and other Asian members. Both courses are owned by Danao International and were assisted in the construction process by International Management Group (IMG) and its golf course design team.

The principal investor behind both projects was the late Larry Hilbloom (the “H” in DHL) who died in 1995. While the Dalat golf club was already constructed at that point, his death severely affected the development pace of Ocean Dunes in Phan Thiet. They have faced numerous funding setbacks and construction delays due to the sticky issues surrounding the settling of Hilbloom’s estate.

However, the course was completed in July of 1996, and the 123-room Novotel hotel just held its soft opening this April. The Nick Faldo signature seaside course is outstanding and at the moment is probably the best conditioned in Vietnam.

The Dalat Palace Golf Club is the best situated in Vietnam. Dalat is a prime tourist destination, is easily reached by plane from HCM City, and boasts comfortable weather year-round. The course is located in the heart of Dalat offering panoramic town views from its hillsid perch.

The cool weather enables the club to have tee-to-green bentgrass — only one other course in Asia can boast this distinction. However, the course is still not a permanent clubhouse and members facilities — they will need more members in order to afford this next step. While other facilities are lacking, accommodation is readily available at both the Sofitel and Novotel hotels that are a part of the project.

Currently, the two clubs are in a transition period. IMG is no longer providing the management services and have downgraded its position to a “consultancy.” Further, in order for both resorts to take off, international access must improve. An international airport is planned for Dalat in the coming years, but getting to Phan Thiet is still a treasureous four-hour drive from HCM City. This is the last hurdle that the two golf clubs must overcome if they are to compete.

The story changes dramatically in the North. There is only one golf course, the King’s Island Golf Club which is precariously situated on the banks of Dong Mo river. But, with a solid lock on the market, this project has struggled from the very beginning.

Due to a miscommunication between the Thai investors and the local government, the course was built below flood level and the first phase of the golf course construction was flooded out. It took the better part of 1994 and 1995, to resolve this problem, and as a result, the project has lost investor interest. Some credibility has returned lately, as the full 18-hole course has opened and is in high player demand among expatriates on weekends.

Effectively, the “design” was done by the owner, and it; therefore, lacks consistency. It was inadequately constructed and many of the greens have had to be reconstructed in order to retain the course for professional investors if it is to become a success.

Clearly golf projects in Vietnam must take a long-term approach to development. Despite the obstacles, however, there are five golf projects that are being marketed by the MPI and are still under construction.

The first is a Daewoo-backed project in the Dong Anh province located near the Hanoi airport. However, with the collapse of the Korean economy, the construction project is well down the line. Another is the Do Son Golf Club in Haiphong which is financed by the California Investment Group. The golf course industry has faced a tough road in Vietnam, and the newly licensed courses will undoubtedly have their growth problems. Hopefully, the industry in Vietnam can benefit from their experiences that help them set their business strategies to fit the current needs of the market. As the Vietnamese economy continues to grow and to expand, the golf market will undoubtedly expand as well.

Malaysia: Public Golf

Continued from page 13

to make them better golfers. With that in mind, golfers are invited to enroll in the seven-part “Homeless Golfers Program” which has been created to ensure golfer proficiency.

The classes cover everything from rules and etiquette to golfing fundamentals and techniques. Lessons from members of the Malaysian National Team and other qualified professionals are an integral part of the program.

After they have completed the course, they receive a “proficiency certificate” and a free USPGA handicap rating that is maintained by the club. While educating the younger golfers on the finer points of golf is necessary to maintain the integrity of the game, giving junior golfers the opportunity to get on the course is vital to the survival of the game itself. Khamis is extremely excited about his “Teen Golf” program.

“Having served as the general manager of private clubs in the past, it has been nearly impossible to set aside time for juniors to have access to the course. However at Seri Selangor, I have been able to create my own junior program and it will be the center for junior development in Malaysia,” said Khamis.

“Periodicals postage paid at Yarmouth, Maine, and additional mailing office. Golf Course News (ISSN 1054-0644) is published monthly by United Publications, Inc. 106 Lafayette St., P.O. Box 997, Yarmouth, ME 04096. Phone number is 207-846-0600.

The publisher assumes no responsibility for unsolicited material or prices quoted in the newspaper. Copyright by United Publications Inc. All rights reserved. Reproduction, in whole and in part, without the written permission from the publisher is expressly prohibited. Photocopies of Golf Course News are available through University Microfilms International, Serials Acquisitions Dept., 300 N. Zeeb Road, Ann Arbor, MI 48106, 800-732-0616.

Reprints and permission to reprint may be obtained from Managing Editor of Golf Course News. Back issues, when available, cost $6 each within the past 12 months, $12 each prior to the past 12 months. Back issue orders must be paid in advance either by check or charged to American Express, Visa or MasterCard. Golf Course News is distributed in the U.S. without charge to qualified personnel of golf course facilities and to golf course builders, developers and architects. Subscriptions to Canadian golf facilities cost $45 annually; other paid subscriptions to the U.S. and Canada cost $55. All foreign subscriptions cost $125 annually to cover air delivery. All payments must be made in U.S. funds drawn on a U.S. bank. For subscription services, please call 215-783-7112. Send address changes to Golf Course News, P.O. Box 3047, Longhorne, PA 19047-3047.