No downturn expected for fertilizer prices

Impact of high natural gas costs lingers

By ANDREW OVERBECK

Fertilizer prices, after their sharp recent rise, are expected to remain high, and industry experts say the record cost of natural gas is the primary culprit.

It has been a tough several months for fertilizer manufacturers, formulators and distributors as natural gas prices rose 500 percent to more than $10 per million British thermal units (MMBtu), squeezing already-thin margins.

Natural gas is a major cost component in the manufacturing of nitrogen fertilizer. As a general rule, every 50-cent increase brings a $10 increase per ton of urea.

GAS PRICES TO SPIKE IN FALL

At press time, urea was averaging just over $100 per ton in ports along the Gulf of Mexico, a primary point of production and importation. Natural gas prices, meanwhile, had receded to below $4/MMBtu. Fertilizer producers see no drop in prices in the coming months, however, because natural gas remains at double its historical levels and will likely spike again in the fall.

Moreover, manufacturers are still generating product using higher-cost urea purchased before prices softened.

Continued on page 26

Biotech turfgrass destined for market

By JOEL JOYNER

WEST KINGSTON, R.I. — Like it or not, genetically engineered turfgrass is on the way. Not only that, but researchers say the possible varieties are all but endless.

"I believe that there will be a continuous stream of engineered turfgrass products by various companies," said Albert Kausch, visiting associate professor here at the University of Rhode Island. "It's possible now to clone any gene from any organism and introduce that into turfgrasses for various traits. The technology itself is so beneficial and useful that it will go forward."

"We expect to have products available..." said Albert Kausch, visiting associate professor here at the University of Rhode Island. "It's possible now to clone any gene from any organism and introduce that into turfgrasses for various traits. The technology itself is so beneficial and useful that it will go forward."

"We expect to have products available..." said Albert Kausch, visiting associate professor here at the University of Rhode Island. "It's possible now to clone any gene from any organism and introduce that into turfgrasses for various traits. The technology itself is so beneficial and useful that it will go forward."

Continued on page 13

OB Sports shifts base to golf-wild Scottsdale

By JAY FINEGAN

SCOTTSDALE, Ariz. — Another golf course management company has joined the parade to Scottsdale, fast emerging as a center of gravity for the game.

OB Sports, until recently based in the Pacific Northwest, has set up shop in this golf-crazy town on the outskirts of Phoenix. The firm foresees operational efficiencies and increased national visibility from the more centralized location.

"Although we have received tremendous publicity for our success on the West Coast, we are now seeing opportunities to expand our image and delivery of services to more of a national level," said company founder and CEO Orrin Vincent.

In business since 1972, OB Sports has received heavy attention in the past few years for the successful development of new courses on the West Coast featuring unique "themes."

Continued on page 23

Stone Tree brings public golf to Marin County

By DOUG SAUNDERS

NOVATO, Calif. — The new daily-fee Stone Tree Golf Club here in Marin County stands as a testimony to tenacity.

It took the developers eight years to run a permitting gauntlet involving 11 federal, state and local agencies. To meet some objections concerning wetlands, the owners donated 64 acres to the Nature Conservancy. The initial routing plan was rejected. More than 13,000 trees had to be planted.

But when the 7,000-yard layout opened last November, it marked the completion of the first championship golf course
OB Sports
Continued from page 1

in addition to the company's traditional delivery of world-class golf, top-notch maintenance and premier customer service.

It will have plenty of company in Scottsdale. Nine other golf management firms have made the city their headquarters, including Troon Golf, with 80 courses; GolfMatrix and Granite Golf, each with 21; Western Golf Properties, with 20; and Intrawest, with 16.

Smaller Scottsdale-based management outfits include Lyon Golf LLC, with five courses, Scottsdale Golf Group, with four, John Jacobs Group, with three, and Quality Golf Partners, with one client. SunCor, which manages six courses, and Del Webb Corp, with 13, both work out of next-door Phoenix.

MANAGEMENT TEAM INTACT

Under the direction of Vincent, OB Sports achieved strong success as a management company. In 1995, it merged with capital partners to form OB Sports LLC, which would both own and manage high-end courses.

By 2000, OB Sports LLC had grown its portfolio to include six owned-course assets and nine third-party management contracts. Last February, Vincent re-acquired 100 percent of the management division from the LLC’s parent investors, and brought the OB Sports name with him.

Along with Vincent as CEO, the company’s other top executives have relocated to Scottsdale. They include Phil Green as president; Ed Francese as president of OB Southwest; and Jamie Cook as vice president of finance. C.A. Roberts heads up business development.

"Professional golf course management has always been the core of our business," said Vincent. "OB Sports thrives on providing a personalized hands-on approach to our management contracts and seeking creative solutions for our clients' needs."

"In addition to operations management," he added, "we will continue to identify stand-alone maintenance contracts as well as comprehensive development opportunities where we can get involved in construction management, business planning and the implementation of a fantastic theme for a project."

GOLF COURSE NEWS

PORTFOLIO ON THE RISE

OB's current management portfolio includes five California facilities - Winchester Country Club in Auburn; Stevinson Ranch in Modesto; the Golf Club at Roddy Ranch in Antioch; Cimarron Golf Resort in Palm Springs; and Ironwood Country Club in Palm Desert.

The firm also manages the Oasis Golf Club in Mesquite, Nev.

New projects under construction to be managed by OB Sports include Laguna Del Mar in Rocky Point, Mexico; Seville Golf and Country Club in Gilbert, Ariz.; and We-ko-pa Golf Club, just east of Scottsdale.

Ed Francese, as president of OB Southwest, will continue to direct operations at The Gallery Golf Club in Marana, Ariz.

Landscape architecture by Toscanini.
Ornamentals by Monrovia.
Turf by Confront.