Industry bristles as GCSAA plans e-commerce

By ANDREW OVERBECK and JOEL JOYNER

LAWRENCE, Kan. — While months of speculation about who the GCSAA would select as its e-commerce partner ended in late April, the association's decision to have entered in the first place, said an industry insider who wished to remain anonymous. “An e-commerce venture that does not embrace existing distribution channels. "The salesperson is the key in this because the superintendent is the relationship," he said. "They want someone who they can call on, someone who can support the sale they make." Others are not thrilled about a transaction-based model and don’t see the value in a hosted storefront.

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Superintendents skeptical about Internet venture

By JOEL JOYNER

KIAWAH ISLAND, S.C. — While the Golf Course Superintendents Association of America works with its industry members to shape its new e-commerce site, superintendents question the value and usefulness of the venture. "I don’t think it is the business of a professional association to go into the business of selling goods," said Paul Eckholm, superintendent at the Heritage Links Golf Club in Lakeville, Minn. "The GCSAA has its tag line. Dedicated to serving its members, advancing their profession and enhancing the enjoyment, growth and vitality of the game of golf," Eckholm said. "I don’t see how this venture relates to any of those items. Since the passage of the PDI, I would think the association would have its hands full promoting its members and advancing the profession." TALK OF REBELLION

Steven Cook at the Oakland Hills Country Club in Bloomfield Hills, Mich., also has some doubts. "I applaud the GCSAA’s proactive thought process, but my concern is the amount of staff time spent on these projects in relation to where those hours could be spent," he said. "With the majority of superintendents not even connected to the Internet, it seems that we’re using resources that affect a small portion of our members," said Cook. "We live and work in a three-dimensional world, and I believe that personal contact with vendors is essential. The Internet is a two-dimensional media that pushes us further from each other. It’s not something that appeals to me." Cook takes it one step further, believing that the commercial venture drives a larger wedge into the rift created among superintendents over PDI. "I think the time will come, in the very near future, when another national golf course superintendents... Continued on page 27

IGM bolsters its portfolio, adds four more Florida courses

KISSIMMEE BAY, Fla. — International Golf Maintenance (IGM) has expanded its domineering presence in central Florida, adding its portfolio with four more course management contracts. The Kissimmee Bay Country Club, located here, and the Twin Rivers Golf Club in Oviedo, just north of Orlando, have both signed maintenance agreements with IGM. So have the Twin Lakes Golf Club and Walden Lake Golf & Country Club in the Tampa region.

The company will provide complete course maintenance services for the semi-private, Lloyd Clifton-designed Kissimmee Bay course, said IGM’s Troy Crawford, general manager of the 18-hole layout, expects the company to give the facility an edge above the competition. “The Kissimmee-St. Cloud market is a competitive one," Crawford said. "We’re relying on IGM to bring in extensive resources to the course." IGM also takes responsibility for maintaining the 18-hole, Joe Lee-designed Twin Rivers course. The layout encompasses two rivers and 340 acres of mostly environmentally protected land.

With a pre-determined maintenance budget, IGM brings focus to the course without the responsibility of managing other areas of operation, such as sales," said Dan Gillen, course superintendent. "This also helps my relationship with the general manager by easing our budgeting issues." 72,000 ROUNDS A YEAR

The Walden Lake Golf & Country Club, a 36-hole facility located in the upscale Walden Lake community of Plant City, Fla., features The Hills and The Lakes layouts, both designed by Jack Nicklaus and Ron Garl. With nearly 72,000 annual rounds of play at the facility, superintendent Greg Boltz is looking forward to utilizing additional resources in maintaining the 1970s-era courses. "The challenges are numerous," said Boltz. "With IGM’s resources, we will be able to maintain the courses at a level of condition and playability we prefer."

The Pebble Creek Golf Club, the centerpiece of a Tampa subdivision called Pebble Creek, is a semi-private, 18-hole course. It hosts The Snowbird Intercollegiate Invitational, which brought more than 150 female golfers to the course this year, including teams from the University of Indianapolis, Yale and Notre Dame. KNOW-HOW FOR SOUTHERN TURF

From personnel to equipment issues, the Lakeland, Fla.-based IGM develops maintenance programs that incorporate all the resources necessary to meet agronomic needs. "Our experience in maintaining Florida courses has given us in-depth knowledge of the requirements of southern turf," said Scott Zakany, executive vice president. "With the staff and resources to support maintenance programs based on sound agronomic practices, IGM is going to make all four courses known for exceptional playing conditions," he said.

IGM, a subsidiary of Meadco Golf Group, contracts with more than 40 golf courses and country clubs, making it one of the largest service companies in the contractual maintenance business.

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One sales manager expressed concern over how the transaction fee would cut into already-thin margins. "They are forcing us to sell at a lower margin over the Web, plus they want a three-percent cut! It is absurd and backward," he said. "You need 20-percent margins to stay alive, but on the Web it is 15 percent and then they want three percent more. That takes us down to 12 percent."

INTERNET IS A JOKE

As it stands, Kim Ross, director of marketing and e-commerce for Simplot Turf and Horticulture Group, is wary of putting a lot of money into a storefront that only reaches the 11,000 superintendents that are members of the association. "It does not reach all the superintendents," she said. "It doesn't reach the assistant superintendents, or the greens committee or the general manager, and if the [superintendent] does not happen to be the purchasing manager, its value to vendors is zero."

Some in the industry don't plan to participate in the venture because they have already signed up with another e-commerce site or view the Internet as an insignificant method of distribution. "The Internet is a joke," said one executive. "It has been the biggest waste of our time because superintendents won't point and click. In a year, the GCSAA will be just like us, wondering why in the hell they spent all of their time and money on this."

Other companies, however, are watching and waiting to see where the GCSAA venture goes before determining their level of involvement. "Don't you think there is backlash right now because this is new? Look at what happened when the Professional Development Initiative was introduced. Change is difficult," said Bayer's marketing manager, Jennifer Rensberg. "The end-user is demanding this, otherwise no one would be doing it."

While William Robson, director of marketing for Textron Golf, Turf and Specialty Products, is concerned about protecting the company's distribution network, he said the e-commerce site could be designed to fit their business. "If the GCSAA portal can link into the company's local vendor network and give them an additional support capability, it could work," said Robson.

RESPONDING TO CONCERNS

The task confronting the GCSAA now is to respond to the concerns of its supplier and distributor members. It hopes to convince enough of them to get on board to make the e-commerce venture viable.

"Industry relations are extremely important to the GCSAA," said association president Tommy Witt. "Only 18.5 percent of GCSAA revenues are from dues. Eighty-two cents out of every dollar comes from outside sources."

Albert said that additional meetings are planned to get companies to sign up. "In addition to launching the pilot, we are recruiting and educating sellers," he said. "Every distributor and manufacturer wanting to participate has different needs, so we have to meet with them to determine their objectives."

Arredondo is also encouraging input from industry members. "Bring on the criticism," he said. "We'll learn from it, and together we will build something that makes sense."

Once the 60-day pilot program is completed and industry feedback is evaluated, the GCSAA will plot the remainder of its e-commerce course.