



BRIEFS

OB SPORTS TO MANAGE TUSCANY GOLF CLUB

LAS VEGAS—OB Sports has signed a partnership to manage Tuscan Golf Club, a new public golf course community under construction in Henderson, Nev. OB Sports will manage maintenance, customer service and marketing for Tuscan GC, which was designed by architect Ted Robinson.

SERVISCAPE RE-ACQUIRED



MICHIGAN CITY, Ind. — Golf course management company ServiScape LLC has been re-acquired from the TruGreen-LandCare division of the ServiceMaster Company. The company had been acquired by LandCare Inc. in 1999, which was then acquired by TruGreen-ChemLawn. Peter Sinnott, ServiScape's president and founder, said the re-acquisition grew out of TruGreen-LandCare's increased focus on residential services.

WOODS TO HEAD SWAN-E-SET BAY

SCOTTSDALE, Ariz. — Intrawest Golf has named Ron Woods to head its Swan-e-set Bay Resort and Country Club, a semi-private 36-hole facility located in Pitt Meadows, British Columbia. Woods began his career at Burnaby Mountain Golf Course in 1981 and has remained active in the golf industry in western Canada ever since. In 1999, he served as tournament co-chair for the BC Telus Open.

HORTON NAMED DIRECTOR AT HERITAGE RANCH

SCOTTSDALE, Ariz. — Western Golf Properties has named Ron Horton director of golf at Heritage Ranch Golf and Country Club, a semi-private Arthur Hills-designed course that opened last summer in Fairview, Texas. Horton brings 14 years of experience in the field, that last three with Western Golf's Red Hawk Ridge Golf Course in Castle Rock, Colo.



National Golf, American Golf weigh merger options

By DEREK RICE

SANTA MONICA, Calif. — The proposed merger between American Golf Corp. and National Golf Properties (NGP) has been the talk of the golf industry of late. At press time, nearly a month after the initial announcement, both companies were still mum about the specifics of the deal, and that wasn't sitting well with investors and industry experts.

"We don't know the exact terms of this deal, and you wonder why more information hasn't been forthcoming," said Dan Boyle of Schwerin Boyle Capital Management.

Within days of the mid-February announcement, several law firms had filed class-action lawsuits against NGP, alleging fraudulent practices on the part of the company's leadership. Boyle said he doesn't think these suits will have any merit or bearing on the proposed merger.

"Class action lawsuits are a matter of course. There are law firms that make their living any time a stock price goes down, they will file," he said. "There have been management errors, sure, but whether it's fraudulent, I just don't think so."

NGP owns more than 300 golf courses and leases 118 of those to American Golf. American Golf has technically defaulted on lease payments, but a forbearance period extended by NGP was set to expire on March 14. Representatives from both companies declined to comment on the merger or the class-action lawsuits.

One of the conditions of the merger is for a third-party equity investor to provide capital to the combined company. The identity of that potential "white

knight" has yet to emerge, although there are rumors a-plenty as to a potential suitor, none of which could be substantiated.

WHERE DO WE GO NOW?

On Feb. 21, a week after the merger was announced, NGP's stock price hit a new 52-week low, at \$4.30, which was nearly 85 percent off its 52-week high of \$27 on July 18, 2001. Several industry insiders have pointed to NGP's joint purchase of Cobblestone properties with ClubCorp as the

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Management companies watch merger

Regardless of the outcome of the National Golf Properties/American Golf Corp. merger, there will be opportunities for both ownership and management companies in the future, according to Mike Kelly, vice president of marketing for Meadowbrook Golf.

"I think because of the deals that were made, there's going to be a lot of opportunity within the next 18 to 36 months for management companies

who are positioned well and who are smart about how they're going to go about growing," he said.

At press time, Meadowbrook was finalizing multiple financing deals with major financial institutions



Mike Kelly

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Editorial Focus: Safety and Accessories

GPS increases on-course safety

By DEREK RICE

While global positioning systems (GPS) mounted on golf cars may seem like an extravagance courses can live without, in the event of an emergency, they can be an important safety tool. Two of the top golf car companies, ClubCar and E-Z-GO, have teamed with GPS companies UpLink and ProLink, respectively, to add that component to their portfolio of offerings.

According to Jeff Connolly of UpLink, safety isn't always the first thing golf course owners and operators think about when evaluating the benefits of using GPS. Eliminating slow play and allowing players to order food from the course are usually top in their minds.

"I think that [safety] is secondary item in the course's mind, and it may not even be in their mind, but we raise



The UpLink system shown mounted on a ClubCar golf car.

it as an 'oh, by the way,'" he said.

Connolly said the golf course is the fifth most likely place for a person to suffer a heart attack outside of the home. That was just one of the reasons that UpLink incorporated a safety element into its offering.

"We built into the system an emergency call button. Someone can notify the clubhouse they've got a medical emergency," he said.

While many golfers may think they could rely on their cell phones in the event of an emergency, communicating an exact location is very difficult, said Ron Skenes, marketing communications coordinator for E-Z-GO, a division of Textron.

"With a cell phone, you're getting to the emergency crew, but then you have to tell them where you are, whereas if

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System credited with saving three lives

During the due diligence stage of its partnership with UpLink, ClubCar learned about some instances in which the UpLink system had saved lives. These cases came as welcome news to UpLink, said Jeff Connolly.

"ClubCar was doing their due diligence on us, so they called all of our customers and asked all kinds of questions, and they found some things out about what our customers' experience has been that we didn't know," he said. "There were three lives that were attributed to having been saved by the use of the UpLink system."

Two of those instances were heart attacks, while the third was a bee or wasp sting that caused an allergic reaction, Connolly said.

"Not only were they able to notify the course that there was a problem, but their location was known by the course, so they knew where to send the EMS folks precisely where they were," he said. "The fellow with the anaphylactic shock problem was saved, and the EMS folks reported that he didn't have much time left if he hadn't gotten that injection when he did."

— Derek Rice

Palmer Golf continues growth

By DEREK RICE

ORLANDO, Fla. — In keeping with its previously announced goal of adding five courses to its management portfolio by the end of the first quarter, Arnold Palmer



Chris Hamill

Golf Management has taken over management of the Donald Ross-designed Green Oaks Country Club in Verona, Pa.

Combined with the firm's earlier agreement to manage Stone Ridge Golf Club in Bowling Green, Ohio, this latest agreement further advances Palmer Golf's move into the central United States, said Chris Hamill, Palmer's vice president of development.

"It's a great opportunity for our company because it's a market that we have not been in in the past," he said. "That region has not seen a Palmer-managed facility yet. With Green Oaks, we're 30 minutes from Mr. Palmer's back yard in Latrobe. We're really excited about that."

The firm hopes to parlay these agreements into future contracts, Hamill said.

"It's exposure in a region that hasn't seen us before, so we're hopeful that it opens more doors for us for future opportunities, management contracts or otherwise," he said. "We are talking with some facilities, but nothing far enough along that I could call them real deals yet."

As far as growth is concerned, Hamill said Palmer has set modest goals to allow the firm to make strategic investments rather than add numbers to its portfolio.

"We're not gunning to be the biggest," he said. "It's been a tough industry for the last couple of years and we're just looking to grow in a smart fashion that has positive effects — financially and otherwise — for the company."