

## BRIEFS

#### **AAGMC SEEKING MEMBERS**

LAWRENCE, Kan. — The American Association of Golf Management Companies (AAGMC) has kicked off its first ever membership drive and has hired Cynthia K. Smith as its ex-



ecutive director. The association was formed in 2000 and made its debut this fall. The associa-

tion will be active in lobbying efforts, undertaking joint efforts to address legal issues, and improving industry reporting. Members of the AAGMC advisory board include: M.G. Orender, president of Hampton Golf; Bob Barrett, CEO of Honours Golf; Tom Martty, president of Martty Golf Management; Gil Patterson, president of Caliber Golf; and Brent Krause, general manager of the Wynlakes Golf and Country Club in Montgomery, Ala.

## ONCOURSE STRATEGIES LAUNCHED

AUSTIN, Texas — Robert E. Kuhlman and J. Michael Ussery have formed OnCourse Strategies. The firm will offer professional services to the golf and real estate industries including transaction services, brokerage, valuations, lender support and operational consulting. Kuhlman is the former head of the GolfTax division of Deloitte & Touche and Ussery is a former vice president with ClubCorp.

### **EMPIRE GOLF NAMES FREESWICK**

POMONA, N.Y. — Empire Golf has appointed Brian Freeswick as general manager of the new Branton Woods Golf Club in Hopewell, N.Y. Located north of New York City in Dutchess County, the 18-hole public layout was designed by Eric Bergstol, founder and president of Empire Golf. Freeswick previously served as general manager at the Brigantine Golf Club in Atlantic City, N.J.

### HEGARTY JOINS ALISAL

SOLVANG, Calif. — Michael Hegarty has been appointed director of golf at the Alisal Guest Ranch and Resort here. Hegarty will manage the daily golf operations of the property's two par-72, 18-hole courses. He comes to Alisal from ClubCorp where he operated three public and semi-private clubs in Southern California.

## AGC to double learning center commitment

By PETER BLAIS

SANTA MONICA, Calif. — With rounds, revenues and the economy flagging, a program that expects to create 30,000 new golfers this year is the type of good news the golf industry sorely needs.

"If half the public courses in America achieved half those results, we would easily achieve the goals put forth in the Golf 20/20 initiative to create more than a million new golfers a year," said American Golf Corporation co-CEO David Pillsbury of the management company's Nike Golf Learning Centers. "That would benefit all of us — operators, manufacturers, and others."

AGC is so convinced of the importance of creating new golfers that it is pressing forward with its \$3-million Nike Golf Learning Center program in the face of some difficult financial times of its own (see story on page 1).

"In a company that wasn't thinking strategically about its business, I could see a program like the Nike Golf Learning Centers being cut," Pillsbury said. "But we're actually doubling our investment. We're spending more in one year [2002] than we did in the previous four."

Nike Golf Learning Centers are operating at 50 American Golf-operated facilities, with another 50 planned to open in the next 12 months.

"They are located where we have our largest concentration of golf courses, major metropolitan areas primarily in the Sun Belt," Pillsbury said. "The new ones will be similarly located. We started out West and the expansion will be primarily into the East and Midwest. The more mature centers are doing very well — a couple in Southern California, a couple in Northern California and one in Chicago. Those are typically larger facilities with a strong population within a 10-mile radius. They are usually connected to a golf course."

#### TEE IT UP 1

The Learning Centers combine traditional golf fundamentals

Continued on page 23

**Editorial Focus: Golf Cars** 

# Car makers optimistic despite slowdown

BY ANDREW OVERBECK

The economic slowdown, the events of Sept. 11, stagnant levels of participation and a sharp downturn in new golf construction have combined to create tremendous uncertainty in the marketplace. However, while most golf car makers report that buyers have deferred or delayed purchases in the last few months, some are cautiously optimistic about 2002.



Devey Holland

"There has been some softness in the market as buyers go back and look at their fourth quarter balance sheets," said Dewey Holland, Club Car's vice president and business manager for golf. "New construction starts are down, but we look at the age of fleets and the fact that people understand the value of new cars and the quality they bring to the image of the course. We are cau-

tiously optimistic about 2002.

Lower interest rates and other leasing incentives are also driving car maker's confidence.

"The irony of the whole thing [customers delaying purchases] is that financing costs are at an all time low," said Todd Sauey, president of Columbia Par Car. "They can lock in at rates that will not go any lower."

To help customers justify the purchase of a new fleet of vehicles, car makers are working to introduce new products, add new features and roll out new concepts.

### CLUB CAR

Club Car formally launched its new IQ System in July and 2001 sales quickly exceeded the company's expectations, said Holland. This year its cars will all come with the

Continued on next page



GMI oversaw the construction of Joe Lee's Musket Ridge Golf Club in Myersville, Md.

## GMI expands golf operations division

By ANDREW OVERBECK

JACKSONVILLE, Fla. — Golf course design and construction management specialist, Golf Management Inc., has expanded its list of services to include golf course operations.

GMI was founded in 1999 by president Chris Wilkerson who spent 10 years as a vice president and director of construction for the PGA Tour. Wilkerson has steadily added to his team that consists of golf course architect Tim Freeland, ASGCA, and operations manager Rich Hohman. The firm cleared \$47 million in revenue last year and now has 26 employees.

"We hired Hohman last year to go after third party management contracts," said Wilkerson. "We see an opportunity to pick up after some management companies that are dropping projects. If we can get them for a reasonable sum, step up the operations and maintenance, then we can bring good projects back to profitability."

### MANY POTS IN THE FIRE

Wilkerson hopes that its design and construction management divisions will also turn into management deals. The company currently has several construction projects underway including: Pete Dye's Wintonbury Hills Golf Club in Bloomfield, Conn.; Tim Freeland's Old Hickory Golf Club in Prince William County, Va.; and Lighthouse Links in Freeport, Grand Bahama Island. The company also recently opened Joe Lee's Musket Ridge Golf Club in Myersville, Md.

Hohman said the pooling of resources

Continued on page 24

## KSL acquires La Costa Resort

SAN DIEGO — KSL Recreation Corp. has added another marquee resort to its portfolio with the acquisition of La Costa Resort and Spa in Carlsbad.

The group bought the famed resort from an affiliate of Japan's Sports Shinko for an undisclosed amount. Sports Shinko bought the property in 1987 for approximately \$250 million.

The expansive 479-room resort is set on 400 acres in the coastal foothills north of San Diego. It features two 18-hole Dick Wilson and Joe Lee-designed golf courses, a spa and a tennis center. Additionally, the resort offers meeting, convention and banquet facilities.

"We are proud to include La Costa Resort and Spa in our family of signature resorts," said Scott Dalecio, president of KSL's resort division. Dalecio added that KSL plans to embark on an ambitious improvement plan for the property.

To oversee that work, KSL has named Ted Axe to the post of vice president and general manager at La Costa. Axe will make the transition from his current role as vice president and general manager of KSL's Claremont Resort & Spa in Northern California.

## **MANAGEMENT**

### Learning centers

Continued from page 21

with instruction in such practical areas as golf jargon and terminology, proper etiquette, pace of play, how to operate a golf car, how to reserve a tee time, and, most importantly, how to transition from the practice range environment to actually playing the course. The program offers an introduction-to-golf package, Tee It Up 1, for \$149 that includes six hours of instruction, five rounds of golf and other benefits.

New golfers completing Tee it Up 1 are invited to special weekly new-golfer "play-days." For a discounted rate, they can play nine holes with other new golfers and, at the same time, receive follow-up coaching from the pro. "Play days" are a key to retaining players, according to Trish Hinze, a PGA professional and director of instruction at AGC-operated Tilden Park in San Francisco, where she has taught for the past 20 years.

"The emphasis is getting the students onto the golf course," she said. "That's the most intimidating part of learning the game. Students want to know how to feel more comfortable on the course and keep up with the group in front of them. They want to fit in and not feel lost. Very few programs actually do anything with students on the golf course."

Additionally, the Learning Centers create incentives for their teaching professionals, paying instructors \$10 for each time a Tee It Up 1 student returns to the course to play a round.

"Instructors are compensated appropriately for the time they are out on the course with students," Hinze said. "When I taught in a more traditional setting, it was hard to justify spending the time on the course with students. The choice was to spend time on the practice tee, where you could make money, or go out on the course and help students along. But you couldn't charge students for that on-course time, so many pros didn't do it. With this program, the pros are compensated for their on-course time because the operator wants people out on the course playing golf. That's going to help the facility in the long run.'

The actual cost to develop the Learning Centers has been worth the expense, Pillsbury said. "The out-of-pocket expense is less than \$5,000 per center for signage and sales materials. All the golf professionals are put on the AGC payroll instead of being independent contractors. They have medical benefits and a career path. The lesson fees charged pay the golf professional's expenses. The construction piece yields a very small profit — maybe \$5,000 to



The two-tier driving range at AGC's Tilden Park in San Francisco

\$10,000. That doesn't include the income generated from the additional rounds these new golfers play. That's the ultimate motivation. So the Learning Center basically pays for itself."

The centers are an attempt to overcome many obstacles, including oversaturated markets, the golf industry has encountered in the past year.

"The softness in the golf economy is a function of the num-

ber of courses expanding faster than demand," Pillsbury said. "We can't control the number of new courses that are built. But we can influence the number of new golfers coming into the game. The research data suggests there are 12 million best-profile customers standing on the sidelines interested in entering the game and looking for a safe entry point. We need to create that entry point and bring new players into the game."

