National Golf merger pending
National Golf Properties has proposed a merger with its largest tenant, American Golf..........................3

Development slowdown
New construction will continue to soften in 2002, but opportunities still exist..................13

Palmer Golf set to diversify portfolio
BY ANDREW OVERBECK
ORLANDO, Fla. — After spending 2001 opening five courses and dealing with the financial realities of Sept. 11, Arnold Palmer Golf Management is moving full speed ahead into 2002 with a strategy to further diversify its portfolio.

The firm signed its first management contract of the year at Stone Ridge Golf Club in Bowling Green, Ohio, and is looking to add four more facilities before the end of the first quarter. In addition to management deals, Palmer Golf will be paying more attention to acquisitions and will be working more closely with Palmer Course Design.

“We want to have a diverse portfolio of owned, leased and managed facilities,” said Palmer Golf president and CEO Tim Tierney.

With the addition of Stone Ridge, Palmer Golf now manages 30 properties across the country. The semi-private club opened in 1998 and features a 6,900-yard, links style layout designed by Arthur Hills.

Bayer, Syngenta settle patent suit
BY ANDREW OVERBECK
BASEL, Switzerland — Syngenta AG and Bayer AG have reached a settlement over a dispute concerning neonicotinoid active ingredient thiamethoxam. Arguing that thiamethoxam was too similar to its neonicotinoid active ingredient imidacloprid (Merit), Bayer challenged the patent.

After enduring years of lawsuits and legal expenses in different venues around the world, both sides agreed in early January to settle the matter and move on. Continued on page 5

With financing scarce, builders grapple with equity gamble
BY ANDREW OVERBECK
As golf course development financing has become increasingly scarce, more golf course builders, both large and small, are being asked to take equity positions in projects.

“It seems like seventy percent of the deals we see, the developer is looking for money,” said Robert Steele, president of Scottsdale, Ariz.-based SEMA Golf. “More developers are trying to figure out how they can still have a golf course and not spend their money.”

While large, established companies such as Lincoln, Neb.-based Landscapes Unlimited and Colorado Springs, Co.-based Niebur Golf have been involved in the equity partnership and ownership game for some time, this trend opens up a whole new set of challenges for medium and small builders which take comparatively larger risks when they trade profits for an equity stake in a project.

WEIGHING THE RISKS
“It may look like fun,” said Lee Hetrick, executive director of the Golf Course Builders Association of America.

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Newly elected Wallace determined to move GCSAA forward
BY ANDREW OVERBECK
ORLANDO, Fla. — Newly elected president Michael Wallace has taken the leadership reins at a pivotal time for the Golf Course Superintendents Association of America. The association, which is feeling the effects of a slowing golf economy, will be tackling some weighty tasks this year from PDI implementation to the launch of its e-business initiative.

Wallace, who joined the staff of Fairview Farm Golf Course in Harwinton, Conn., Feb. 25 after being let go by Hop Meadow Country Club in Simsbury, Conn., has a background in how superintendents can balance a leadership position with the association while still maintaining their jobs.

Golf Course News recently caught up with Wallace to discuss what goals and hurdles are in store for the GCSAA this year.

Golf Course News: What are your goals for association this year?

Michael Wallace: The GCSAA is obviously poised. We just finished our 75th year as an association, and tremendous strides have been made in that period of time thanks to all those who have preceded me. The PDI implementation will be taking place July 1.
Kevin Ross selects top new products from GCSAA show

NEW AND HOT

• **My Debut of the Show** goes to the miniature foam marking kits. These kits are designed for use with walking rotary or drop spreaders. Although foam kits have been around for years, and Salvator North America displayed their prototype last year in Dallas, these have certainly been needed for years. Superintendents can now eliminate all those old marking tricks such as gloves, golf balls, flags, and paint.

Wallace Q&A

Continued from page 1

2003, and we'll be working hard to put that entire infrastructure in place this year. In addition, we'll continue to look at our government relations and move forward with research, scholarship, education and all the other programs the association offers. The association is a big operation. There's no one overarching goal except to continue moving the GCSAA and its many programs forward and serve our members.

GCN: What preparations are being made to implement member standards in July 2003?

Wallace: Building the infrastructure to track some 9,000 to 10,000 members, in particular their continuing education units, will need to be established. The GCSAA will be issuing credits to members for things like coaching, being volunteer fire fighters and being involved in other civic activities. Those tracking mechanisms need to be put in place and ready to go. We're looking at the entire individual. We recognize that a member is not just all about golf. Things like social business skills are also needed, and we view superintendents as not only being valuable to the industry but to society as a whole. It broadens way out beyond just our educational programs. We're also looking at individual chapters and their educational programs and working to integrate them into one system. It's all part of our affordable, accessible goals for educating members.

GCN: What challenges do you anticipate the association encountering this year?

Wallace: I think the challenges we face are those that are going to be faced by most every other industry. Were not immune to the economy. We're also not immune to the continued consolidation within our industry. As a result, the GCSAA is an organization that's dependent on revenue streams such as advertising, the conference and show, and membership growth. The economy will play a large part in where we go. Our business is such that our members have to take a budget each year to their clubs and state their cases as to what the return on the investment is in belonging to the GCSAA. We have a marvelous case to state, but it's one of those things that every year we have to sell it.

GCN: Last year, the GCSAA launched a pilot program for its e-commerce initiative. What role do you see the Internet taking with the association this year and in the near future?

Wallace: The focus needs to be on making continuous improvements and staying engaged and looking at different avenues. We must be willing to look outside what exists and say, 'Are there other ways of doing business?' That's been critical in our Web strategy. Seven years ago when I joined the board, our Web strategy committee didn't even exist. We try to do things in a planned, methodical manner, but we also recognize that things move fairly quickly in the e-world. We've adapted to that, and we're working our way through that process. The way we look at it is not necessarily doing e-business but business-e. In other words, in what ways can we do our business electronically and will it work in other areas?

GCN: What potential benefits to the association and its members do you see available with the Internet, and are there any obstacles?

Wallace: It's certainly an educational resource and a communication tool. Reaching out to international members is a tremendous benefit. It allows us to communicate with them in a more time relevant format. However, the Internet does present a generation challenge. For younger superintendents and individuals just coming out of college, they've cut their teeth on computers and been involved with them on their own. For gentlemen like myself, who may be getting toward the latter end of their careers as time goes on, computers weren't available when we entered the profession.

It's not like we're antiques, but it is a function we've had to go back and learn. But we recognize that the future is in computers and electronics, and that's where future superintendents need to be and feel comfortable.

GCN: Your contract with the Hop Meadow CC was not renewed this year. I imagine that a leadership role with the association and a leadership role at a golf club can prove challenging. Have you found any difficulties in trying to balance those two commitments?

Wallace: In taking my new position at Fairview Farm, one of my main concerns was my commitment to the GCSAA. The owner is very comfortable with that and encourages me to continue with it. That was one of my main criteria for taking the position. Balancing the two leadership roles is challenging. You just need to look for facilities where owners or boards understand that what we're doing -- the mission of the GCSAA is trying to provide the best educated and best superintendents available and continue to advance the profession. What we're trying to accomplish at the GCSAA is help make golf a better, more enjoyable and efficient game through education. Superintendents of the GCSAA is a function of the golf clubs giving back to the industry as a whole. Thankfully, there are some clubs out there that see that value.