Heritage Golf takes on long-coveted Valencia CC

By DEREK RICE

SAN DIEGO — Golf course owner-operator Heritage Golf Group has acquired Valancia Country Club, located in a suburb of Los Angeles, from Uniden Valencia Inc.

Bob Husband, president and CEO of Heritage Golf, said he had had his eye this particular course for a number of years.

“I’ve always liked the course because it was one of the best around,” he said. “We think it’s going to be a great acquisition for us.”

Husband saw there are some cosmetic changes Heritage will make, but it will be nothing too drastic.

“If we do anything to the golf course at all it will be to restore it to what Robert Trent Jones had in mind 35 years ago,” he said. “I remember playing it 20 years ago, when it had deep bunkers. We’ll take a look at them and see if we need to restore them. There were some drainage issues, but nothing really major there. Most of the work we’re going to do will be in the clubhouse—renovating the entry and just aesthetically giving it a better feel.”

As for Heritage’s acquisition strategy, Husband said this should be one of many courses the company will buy this year.

“We’ve been patient because we were waiting for some things to change a little,” he said. “I think we’re going to do a lot this year. Certainly, it’ll be in the last half of the year because it takes that long to get anything going anyway.”

Because of current business conditions, Heritage doesn’t expect to see much competition for the types of courses it hopes to acquire this year, Husband said.

“We’re starting to see some things with American Golf and National Golf Properties, and all the things that are going on there—they’re sort of out of the market,” he said. “I hear other groups talking about gearing up, but there aren’t a lot of transactions going on. We’re ready to buy a lot of stuff if we can find the right prices.”

However, Husband said, any growth the company experiences will continue to be in the high-end market, which Heritage has staked out as its strategy.

Keyonix looks to eliminate unauthorized rounds

By DEREK RICE

GREENVILLE, S.C. — With the introduction of its Smart Key golf car ignition system, Keyonix LLC hopes to allow course owners to monitor golf car usage and establish accountability for every round of golf played with a car.

“We’re not trying to eliminate free rounds of golf, just the unauthorized ones,” said Bobby LoVine, national sales manager for Keyonix. “Extra play is an expense—to the golf course, to the golf course maintenance and to the cars.”

Currently, there is no system for knowing how many rounds a course is losing, LoVine said.

“No one knows that. It’s like asking how many times a bank didn’t get robbed,” he said. “Once we’ve completed our first full year, we’ll be able to tell them about how many rounds they’re losing based on trends from previous years.”

Many courses don’t lock their cars in a barn, so anyone with a key to the clubhouse can get access to the cars and joyride around the course, LoVine said. “You’ve always got those cases where someone drives a car into a pond or across a green or rolls one over,” LoVine said. “Between the damage to the car itself, the damage to the golf course and potential injury, you expose yourself to a lawsuit because you didn’t secure your golf cars the way you should have.”

At the moment, Keyonix is testing its system at Carolina Springs Golf Club in Greenville. Once the system has been installed and tested, it will be available on a widespread basis.

Golf courses can program each Smart Key, which use iButton technology, in 15-minute increments at the point of sale. Once that time limit has been reached, the golf car will stop running.

As a new course in a competitive market, Paa-kool Ridge Golf Club in Mandan Park, N.M., was concerned about slow play, so it needed a way to move golfers around the course faster, while sticking with its “cart path only” rule. Warren Lehr, Paako’s director of golf, brought in the ProLink system.

Case studies demonstrate return in GPS investment

As a result, the course was able to achieve its targeted pace of play of four hours, 35 minutes. Additionally, the club saw a 9.7 percent revenue increase from its ProLink fees, a 35 percent increase in its food sales and a 215 percent ROI.

ROCKY GAP LODGE

Rocky Gap Lodge and Golf Resort in Cumberland, Md., has little competition, with the nearest courses up to two hours away.

As the average golfer drives further for better conditions, the course has seen a new wave of golfers, and the GPS system has helped them find their way around the course.

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FireRock goes private ahead of schedule

By DEREK RICE

FOUNTAIN HILLS, Ariz. — Based on the progression of its membership drive and home sales, FireRock Country Club, which is a partnership between TerraBrook and MCO Properties, has converted to a completely private club a year ahead of schedule. The club closed to public play April 1.

"The partnership came together in January and saw that our development, our lot sales and our luxury-attached properties had progressed at such a rate that we could convert to the private country club option earlier," said Greg Bielli, project manager at FireRock. "We saw that the acceleration of the program was going to be a benefit both in the community and also externally for future sales."

One of the reasons behind allowing public play in the early stages of the project, Bielli said, was to be able to provide a high level of service from the outset by pumping the funds from that into the club.

"Many projects will delay a clubhouse construction, for example, which is a major investment, until they're further along in their memberships, but we wanted to bring on all of the facilities at the beginning of the project," he said. "We built our 29,000-square-foot clubhouse in the beginning. That gave everyone the use of the clubhouse and in the short term, public play exposed more people to the club.

"Quite frankly, that outside play also supplied financing to keep the operation levels at the service levels that we wanted to," he added.

Bielli stressed that the FireRock members were informed that there would be public play for a limited time from day one.

"That was something we let all our members know up front," he said. "Before they bought here, they understood that that was how we were going to provide a high level of service to them until the membership got to a level where we could go ahead and eliminate public usage. We kept it very open."

The club has also capped the number of golf memberships it will sell at 395 to ensure its members accessibility to the course.

"The issue in our business is accessibility," he said. "In the Phoenix market, we found that when you go over 400 golf memberships, there are some limits that are imposed on golf accessibility during the peak season."

An additional source of early funding was the sale of non-real-estate invitational memberships, which the company will recall at the end of the year, Bielli said. As with those who bought in to the community, anyone who bought an invitational membership was told up front that it would one day be recalled.

Valencia CC
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"If we were to do anything else, say mid-level clubs, we would probably do it under a different name because we want to keep that brand," he said.

Valencia recently hosted the Senior PGA Tour SBC Senior Classic, and Husband said he hopes to continue that tradition.

"We're negotiating right now, but it looks as if we will continue to host the tournament," he said. "We'd love to do it because we'd like to have a chance to show it off next year after we've had a year to work on it. It will be fun."