NGCOA conference tackles financing challenge

By DOUG SAUNDERS

PALM SPRINGS, Calif. — As more than 600 golf course owners from the United States and Canada gathered for their annual conference and trade here in late February, there was a noticeable air of trepidation among the assembled group. Last year's triple whammy of post-9/11 jitters, the oversupply of courses and the challenges of a slumping economy all added

to the pressures felt by golf course owners nationwide, and it left many wondering what the future held.

But the gathering of 620 members, up from last year's attendance of 550, carried on with many positive messages as the Solutions Summit strived to tackle tough questions and provide answers that owners could implement this year to improve their bottom line.

The theme of the week at the Wyndam Resort retreat in the California desert was emblazoned everywhere: "On the green is good, in the black is better." The five-day event provided a series of seminars that



Thomas Bruff of KPMG Golf Practice, John Seeburger of GMAC Golf Finance, Hilda Allen of Hilda Allen Real Estate and Larry Hirsh of Golf Property Analysts address attendees at the NGCOA Solutions Summit in Palm Springs, Calif.

touched on every aspect of golf operations including financing, golf shop operations, food and beverage management, labor laws and environmental activism.

"I am very pleased with the turnout we have this year, especially considering that attendance at the other two industry trade shows (PGA Merchandise Show and GCSAA Conference and Show) was down. I think that the realization of the importance of cooperation among all of the golf industry has really come through here this year," NGCOA executive director Mike Hughes said.

That sense of cooperation came through in

the opening session, as Phil Tralies, president and CEO of Club Car, stated the simple facts.

"For us to be successful, the golf course owners need to be successful. That is why we are strongly committed to this organization and the goals of increasing the bottom line for everyone," Tralies said.

Two of the more pressing issues for the economics of the game of golf, available financing

and the lagging number of rounds played, were dealt with in a very open manner.

It is no secret that many of the major funding sources for the golf industry have dried up in the past year and the remaining sources are taking a much harder look at the economics of golf.

"Golf is a difficult business because there are so many moving parts to it. It is not like building a commercial building and leasing floor space. With so many variables it is clear that golf doesn't provide the profitability of other commercial investments.

Continued on page 22

Link Up 2 Golf to expand in 2003

PALM BEACH GARDENS, Fla. — The PGA of America, the National Golf Course Owners Association (NGCOA) and Golf 20/20 plan to expand Link Up 2 Golf, an industry-supported adult player development initiative, to 27 new markets this year.

The planned new markets span 11 PGA sections and will bring the program's reach to 64 facilities in 34 cities and a number of military bases.

Link Up 2 Golf was created in 2001 by Golf 20/20 and tested at eight facilities in the Raleigh-Durham area of North Carolina. The PGA and NGCOA signed on to provide collaborative leadership, management and financial stability to help the program go nationwide in 2002.

Based on feedback from last year, Link Up 2 Golf will be adjusted to include five 90-minute group clinics incorporating oncourse instruction on etiquette, speed of play, proper behavior and three supervised

Continued on page 21

Vendors applaud joint show

By ANDREW OVERBECK and DEREK RICE

The decision by the GCSAA and the NGCOA to combine their annual trade

shows continues to meet with wide approval from all in the golf industry. If reaction from vendors is any indication, the first Golf Industry Show, set for Orlando in 2005, will provide the vibrancy both



Tim Ford

shows have lacked in recent years.

The obvious benefit to vendors is cost savings. Attending one show instead of two not only costs less, but also takes less time.

This is especially true for companies like Club Car that hit multiple shows to market their product to all players in the industry.

"[Attending four shows in five weeks] really stresses the organization from head to toe – getting product around, getting

people around," said Club Car CEO Phil Tralies. "Here's an opportunity for us to be able to consolidate and not incur twice the expense."

For the Toro Co., which recently signed on as a preferred NGCOA vendor, combining shows simplifies its logistics tremendously.

"We are a supporter of this," said Tim Ford, vice president and general manager of Toro's commercial business. "It will bring together two of our primary constituents: the superintendent who uses the equipment and the owner who ultimately signs the check."

Expenses aside, vendors are also excited about being able to get in front of both the superintendent and the owner at one event. This is especially true for companies that did not previously attend the NGCOA show.

"Although we've always realized that owners are important, we have never gone to their show," said Tom Levey, director of

Continued on page 21

Vandals damage greens at La Costa

CARLSBAD, Calif. — Damage inflicted by vandals on three greens at La Costa Resort during the World Golf Championships-Accenture Match Play Championships was minimal, and the course recovered quickly.

Vandals used a salt-like substance that left burn marks on the 16th, 10th and 14th greens sometime during the night on Saturday, March 1, or Sunday, March 2.

On the 16th green, the substance was used to burn the letters KSL into the green. KSL Resorts has owned La Costa since 2001. Suspicion for the

vandalism has centered on supporters of the Hotel Employees and Restaurant Employees Union Local 30, with whom KSL has been in negotiations.

The damage, according to PGA Tour representatives, was mostly cosmetic. However, Mike Shea, senior PGA Tour rules official, told the San Diego Union Tribune that there was the potential for more damage down the road.

"Our biggest fear is that depressions might develop. If that happens we might have to do some topdressing if needed," Shea said.

