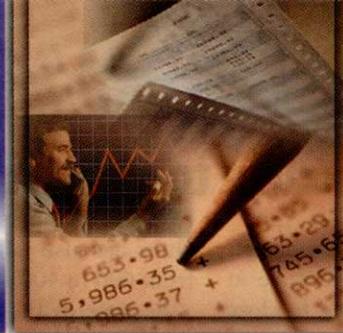


MANAGEMENT



BRIEFS

TROON PROMOTES FOUR

SCOTTSDALE, Ariz. — Golf management company Troon Golf recently promoted four of its associates. Rachel Williamson moved from director of marketing to vice president, marketing; Guy Sudgen was promoted to director, revenue management; project manager Tom Bush assumed the title director, golf course construction; and database coordinator Ryan DeVido moved to direct marketing manager.

PEBBLE BEACH INSTALLS GOLFLOGIX GPS

SCOTTSDALE, Ariz. — GolfLogix has signed an agreement with Pebble Beach Co. to install its GPS-based xCaddie system at Pebble Beach Golf Links in California. The xCaddie is a handheld device that gives golfers instant distance to the green, as well as green depth, distance to major hazards and pro tips. Pebble Beach will mount the units on golf cars, but golfers or caddies will be able to carry them as well.

KEMPERGOLF NAMES TWO TO LEAD DIVISIONS

NORTHBROOK, Ill. — KemperGolf Management (KGM), a division of KemperSports, announced two senior-level promotions. Regional operations manager Bob Swezey will become KGM's regional director of operations. East Coast regional director of sales and marketing Jim Morris is now the company's director of business development.

GTA GETS EXTENSION

CHARLESTON, S.C. — Golf Trust of America Inc. (GTA), which is in the process of liquidating the remaining 16 golf courses in its portfolio, announced last week that it had entered into an amended agreement with its creditors. The amendment extends the repayment date for all loans under the original agreement from Dec. 31, 2002, to June 30, 2003. The current outstanding principal balance is \$69 million.

Sierra Nevada owner discovers life after AGC

By DOUG SAUNDERS

GENOA, Nev. — Sierra Nevada Golf Ranch, a John Harbottle-Johnny Miller collaboration that opened for play in 1997, fits the pattern of numerous golf course projects of the mid-1990s. This par-72 course, which flows over the high desert landscape along the Carson River Valley, was built on a retired cattle ranch at a time when the surrounding Reno-



Ronald Simek

Carson region was starved for golf venues. But the surge of golf course construction during this period nationwide didn't miss the High Sierra and this course soon became one of 24 faced with finding ways to be

competitive in an overbuilt market.

Sierra Nevada Golf Ranch was created under the guidance of its owner, Ronald Simek, who moved to Nevada in the mid-1980s. Simek, a Wisconsin native who grew up on a dairy farm and worked in the timber industry, learned the importance of resiliency in the '60s when lumber prices dropped to the point that he had to find a new source of

income. With his brother, he suddenly found himself in the restaurant and tavern business.

Simek sold his self-started business, Tombstone Pizza to Kraft foods and began to search the West for a new challenge.

"I bought this 3,000-acre ranch at first to keep it as a working ranch but when another golf course was built next to my land

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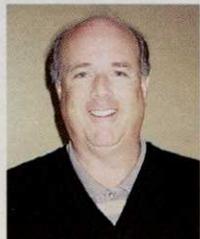
Owner-operator joins Interstate

Reece sees a lot of turnover coming in the next few years

By DEREK RICE

CHARLOTTE, N.C. — Golf course owner and operator Deva Reece has moved into the sales side of the business by taking a position with The Interstate Companies of America Inc.

Reece said he believes he believes his nearly three decades in the golf business will serve him well as he works to match buyers and sellers of golf courses in the Carolinas.



Deva Reece

"I can bring a little bit of a unique perspective to trying to help people with respect to buying a golf course because I've been an owner and an operator for 20 years," Reece said. "I know how difficult it is to try to make a profit at it. I would have a special empathy for both ends, maybe more so than your average realtor."

Sometimes, he said, that may come to laying the hard facts out

on the table for an owner.

"If an owner is asking too much for a course, I can look him in the eye and tell him why. There's no sense in asking a price if whoever buys it can't repay the debt," he said. "That being said, I really want to maximize everything I can for an owner. I've been on that side, so I know how hard it is."

Unfortunately, Reece said, he may get many opportunities to help others unload their properties in coming years.

"I feel really bad about this, but there's going to be a lot of turnover over the next five to 10 years," he said. "There's saturation in most areas, as well as a combination of the economic environment in North Carolina and the rest of the nation. Plus, golf rounds are down. The revenue is just not there to support the debt load for a lot of golf courses."

Part of the problem is that people continue to build golf courses based on unsound practices, putting pleasure and

Continued on next page

Cincy hires Billy Casper Golf

CINCINNATI, Ohio — The city of Cincinnati has hired Vienna, Va.-based Billy Casper Golf (BCG) to manage its seven municipal golf courses.

The multi-year agreement calls for BCG to provide the

Cincinnati Recreation Commission (CRC) with a number of services, including agronomy, marketing and public relations for its Avon Field, California, Dunham, Glenview, Neumann, Reeves and Woodland courses.



Cincinnati's Glenview Golf Course is one of seven courses Billy Casper Golf began managing for the city on Jan. 1.

Thunderbirds course sold at auction

Rounds dipped in wake of mid-summer death

PHOENIX, Ariz. — The Phoenix Thunderbirds Golf Course, which has seen its share of trouble in the last year, has changed hands in a foreclosure auction.

Phoenix businessmen Arturo Moreno and Ernie Garcia paid \$4.8 million for the course, which Bank One put up for sale after The Phoenix Thunderbirds civic organization and co-owner Luther Alkahaseh defaulted on a loan in September.

The course had been struggling to attract rounds since mid-sum-

mer when 15-year-old Nils Beeman died and more than 80 people reported getting sick after playing at the course in July. Suspicion for the boy's death, which was later ruled to have been caused by the Norwalk virus, centered on the drinking water at the course. As a result, courses in the area, as well as nationwide, changed the way they handle drinking water. Beeman's parents are said to be considering a lawsuit against the course. It was not immediately

clear how a change in ownership would affect any potential lawsuit.

Since that incident July 19, reservations at the public course dwindled. Scott Henderson of the Thunderbirds told the Arizona Republic, "The straight skinny is that individual show-up-and-play reservations are down a lot ... We'll get through this, but the publicity is killing us."

Thunderbirds GC opened early last year in support of the Phoenix First Tee program. The Thunderbirds will continue to operate a nine-hole course next to the 18-hole course in support of

Continued on next page

CORRECTION

In the management company list (GCN Jan. 2003), the listing for Meadowbrook Golf was incorrect. The correct information should be Michael Kelly, 8390 ChampionsGate Blvd., Suite 200, ChampionsGate, Fla. 33896-8388, phone: 407-589-7200, fax: 407-589-7223, email: mkelly@mggi.com.

Please e-mail managing editor Derek Rice at drice@golfcoursenews.com with any corrections to your company's listing.

Life after AGC

Continued from page 21

I was approached about expanding the golf concept here. In 1992 I began to look toward changing the ranch to a golf and real estate development. The construction of the golf course fell into place easily, but as I got ready to open the golf course I started to look for a management firm to handle the daily operations," Simek said.

Simek's situation has been repeated around the country. A well-financed owner steps into the golf development business with money, land, and a dream but little knowledge of the golf business and searches for a management team. Simek's decision was to find what he thought would be best. His choice was to sign a five-year lease agreement with American Golf Corp. in 1997.

"At the time I went into an agreement with American Golf, I considered the fact that they were the largest such management group as proof that they would be the best. They promised to take our course and make it one of the top 10 properties in their portfolio. I felt that I was making a wise choice when I signed the agreement," Simek said.

When the course opened for operations in the spring of 1998, Simek was able to be around the property for a third of the time. Although he is not a golfer and was certainly not familiar to the golf business, he did understand how he had managed to make his own business successful.

"The food industry and the golf business are similar in many ways. You are providing a product to a customer that must be presented properly in order to create repeat business. I was always very detail and result oriented in my food business. I felt these traits should be carried over into the golf operation. I admit that I kept an eye for small details at Sierra Nevada Golf Ranch," Simek explained.

During the first year of operation, what caught Simek's attention was a lack of maintenance at both the clubhouse and on the golf course. Seeing a lack of care set off the first warning signs and Simek began to question his management choice.

"The more I watched how things were going, the more disappointed I became. As I saw the golf course condition slip, we had various discussions about water supply, pumping costs and other issues. I felt that all the presentations that promised to make our course one of the top American Golf courses were just sales pitches to tell me what I wanted to hear. In April 2002 I sued to get out of my lease on the grounds that many verbal agreements were not being met to

our satisfaction," Simek said.

In retrospect, the lack of upkeep was probably a symptom of the financial pressures being felt by AGC at that time but it was performance issues that allowed Simek to escape from his lease agreement. It also put him into the difficult search to figure how to manage his course for the future. Once again, there are many golf course owners around the nation that are

reassessing their approach as they go into the new year. The experiences of Simek might hold some lessons for them to follow.

"My first lesson learned is that you must thoroughly research whoever you are going to bring into your organization. I have looked at doing our operations in-house and have interviewed some potential general managers. Doing complete background checks

of potential help is critical. Secondly, if you want to manage the operations in-house, it is important to have a set criteria of how to run things that will put all facets of the operation on the same page," Simek explained.

After a year of thought and consideration, Simek has decided on an agreement with Scottsdale, Ariz.-based Troon Golf to take over management of Sierra Ne-

vada Golf Ranch. Simek's decision was based on the realization that he still needed professional advice to operate in an industry he doesn't completely understand.

"I know how important it is to get help in matters that you are not fully versed in. This is true in any business. But I feel confident that I have made a decision that will meet my expectations for the future," Simek said. ■



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