Way back in 2010, I was asked to play Nostradamus at the annual Wisconsin Golf Turf Symposium. I guess they thought I was old enough – at that point, we'd been in business for 26 years – to come up with plausible golf industry predictions.

Just the other day, with four years more experience, I happened upon those predictions. I want to share them with you – along with some current comments about how I did – or, in some cases, did not – hit the mark.

Maybe, when I come down from the euphoria of nailing so many of these, I'll forego another round of predictions and take this uncanny ability straight to the stock market.
PREDICTION


China hasn't been opening golf courses at a rate of 300 or 400 a year, which was the high-water mark here in the States back in the go-go '90s. It's been more like 75-100 per year since 2010, though it's difficult to get reliable numbers in a country where the government has imposed a moratorium on course building - and developers go ahead and build them anyway, under the radar. Anyway, I was all wet on the numbers. But I'll stand by the "repeating mistakes" part: Nearly all these new Chinese courses are private, very expensive to join, and many are relying on real-estate components to make them economically viable. And we all know where THAT leads.

PREDICTION

OPENINGS WILL INCLUDE ALTERNATIVE AND MIXED-USE FACILITIES.

In 2013, the U.S. golf market experienced its eighth straight year where course closures outpaced course openings. There were 14 openings in 2013 and 154.5 closures (all but five of them public courses). The net loss of approximately 140 18-hole equivalents has held steady the last three years. While the annual net losses were smaller from 2006-2010, do the math. Methinks I nailed this one. This correction could well persist through 2020, and the idea that we'll see more than 100 new openings per year? Those days seem gone forever.

PREDICTION

COURSES WILL LOOK TO ALTERNATIVE SOURCES FOR PLAYER DEVELOPMENT, MEANS OF REVENUE, AND USE OF THEIR PROPERTY.

I hinted at this in prediction No. 2 and here again. The bottom line is, we see evidence of this more and more, both first-hand and anecdotally. I think we all had a sense that programs like the First Tee would result in "alternative" practice facilities and short courses. If you've read my columns here at GCI.com, you know that we are supportive of First Tee, but also Links Across America, which we consider an even better model (we've personally been involved in designing/creating/opening three such alternative facilities). So this prediction was something of a no-brainer. What we didn't see coming (but which I predicted just the same) was the advent of disc golf and even foot golf at existing "traditional" golf facilities. We have two client courses that will be incorporating the latter into their routings starting this spring. These alternative uses are being incorporated into golf courses, in the same way fishing derbies, winter sports and hiking trails are being incorporated. The pace of this has surprised me, but it was only a matter of time. Especially at public courses, what's the difference between setting up a disc course within the traditional golf course, and having a wedding in the clubhouse? Revenue is revenue.

PREDICTION

EXISTING COURSES WILL CAPITALIZE ON ALTERNATIVE MEANS FOR FUNDING RENOVATION EFFORTS.

Again, I'll take credit for being spot on with this one - but with so many publicly owned facilities struggling today, we've noted above, it's really a matter of renovating or closing their doors. What I couldn't foresee, but perhaps should have, is the way some municipalities have leveraged stormwater and water-quality management projects to pay for these renovations. We at LGD and Golf Creations have been involved in dozens of projects where our renovation work aided a city's water-retention and/or water-filtration efforts. But we didn't see this coming in 2010: New state statutes recently obliged the city of Appleton, Wisconsin to improve water quality and stormwater retention, via a vis the nearby Lower Fox River. The city wisely used Reid Municipal GC to make this happen - and the city paid for what turned out to be a substantial course renovation, because you can't add all those ponds and wetlands without radically changing a course routing. This is a model that should be followed elsewhere, including private clubs.

PREDICTION

CLUBS, ESPECIALLY PRIVATE, WILL HAVE TO FIND WAYS TO MARKET TO THE NEXT GENERATION.

I think the advent of social media strategies is enough proof that this has taken hold, in a huge way. Four years ago, I don't know that many of us would have predicted that private clubs would have Facebook pages and Twitter feeds. But they do. Meantime, look for all courses, but especially private clubs, to actively and creatively alter courses setups to allow for 3- and 6-hole loops, for folks short of time and attention span.
Hardly rocket science, this prediction. The way golf courses spent money in the years prior to the economic downturn of 2008 simply wasn’t sustainable. To me, however, the solutions golf has deployed in response to tighter budgets is the lemonade we’ve created—having been handed such a big basket of lemons. The gas and regrass option, for example, has proved a fine alternative to costly, full-on greens renovation/reconstruction. Ditto for push-up greens construction. Four years ago, I would never have dreamed our renovation jobs would feature so much in-house labor, meaning course maintenance crews. The biggest and most significant cost-saving advance might just be the Asset Management Plan, or AMP, whereby we at LGD deconstruct a master renovation plan, break it into affordable chunks, and help clubs work those projects into annual budgets.

If courses are going out of business in such numbers, a certain percentage of those courses can surely be plucked by management companies for pennies on the dollar. So, it’s no surprise that management portfolios are growing. The NGF confirms that here. Of course, I think the economic downturn probably separates the truly competent management companies from their less-competent competitors. I’d like to see some figures from the NGF that show the number of course closures where the facilities had been under third-party management the previous 36 months.

There is no better example of this prediction coming true than the AMP process. I never thought we’d be so intimately involved with a client’s long-term budgeting, which is a facilitating role if there ever was one. But when you’re economizing, it’s a no-brainer. And architects are uniquely placed to serve in this role, because our relationships with clients are normally long-term. It’s already happening and I’m convinced that what we architects refer to as “the creative process,” once limited to drawing pretty pictures, will increasingly focus as much on implementation and delivery as it does on the design itself.

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