For the majority of superintendents, the line item associated with labor (salaries, insurance, administrative, Workers' Comp) on budget can account anywhere from half to three-quarters of an operational budget.

In light of the recent financial hardships that have plagued the economy and the golf industry, more than half of superintendents at both public and private reported having to cut their workforces. As a result, private facilities employ on average 10 full-time and 12 seasonal maintenance workers, while public courses have an average of six full-time and a dozen seasonal workers.

<table>
<thead>
<tr>
<th>Less than 30 percent</th>
<th>5%</th>
<th>5%</th>
<th>6%</th>
</tr>
</thead>
<tbody>
<tr>
<td>31% to 35%</td>
<td>3%</td>
<td>3%</td>
<td>4%</td>
</tr>
<tr>
<td>36% to 40%</td>
<td>6%</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>41% to 45%</td>
<td>7%</td>
<td>4%</td>
<td>9%</td>
</tr>
<tr>
<td>46% to 50%</td>
<td>12%</td>
<td>8%</td>
<td>15%</td>
</tr>
<tr>
<td>51% to 55%</td>
<td>16%</td>
<td>15%</td>
<td>17%</td>
</tr>
<tr>
<td>56% to 60%</td>
<td>21%</td>
<td>23%</td>
<td>20%</td>
</tr>
<tr>
<td>61% to 65%</td>
<td>19%</td>
<td>25%</td>
<td>13%</td>
</tr>
<tr>
<td>66% to 70%</td>
<td>8%</td>
<td>9%</td>
<td>7%</td>
</tr>
<tr>
<td>71% to 75%</td>
<td>2%</td>
<td>2%</td>
<td>1%</td>
</tr>
<tr>
<td>More than 75%</td>
<td>1%</td>
<td>0%</td>
<td>1%</td>
</tr>
</tbody>
</table>

How has this headcount changed in the last five years?

- **Up**: 27% (All), 30% (Private), 24% (Public)
- **Down**: 30% (All), 57% (Private), 66% (Public)
- **No change**: 63% (All), 13% (Private), 6% (Public)

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in member initiation fees that are often used to fund capital projects.

More than half stated their facilities were spending less on equipment. It is always a challenge for superintendents to make their equipment last longer than a reasonable expectation established in a replacement schedule. Deferred equipment purchases can affect operations with increases in parts, repairs and hours spent on maintenance. In the upcoming years, I do believe we will see purchases made on critical needs and also backed up by a business plan for a true return on investment for major items.

Chemical and fertilizer application expenses were cut at about half the facilities. Once again, superintendents are very creative people, and have made appropriate adjustments at their facilities. Some of this may have been looking into alternative products and methods for plant health and also pest control.

Nearly a third indicated that their golf facilities had rolled back golf course conditioning standards. This may be the trend as some are doing less overseeding and irrigating and cutting out any unnecessary programs for maintenance. It is imperative these reductions be communicated effectively and agreed upon by management, ownership and golfers. If not, it could result in a feeling that the golf course superintendent is doing a poor job due to changing playing conditions and the potential inability to meet golfer expectations.

OPERATING EXPENSES. Responses were pretty standard for the division of operating expenses overall. Water is a large variable depending on the part of the country and the source of water. Similarly, there were regional variances depending on grass types and climate for items like seed, chemicals and fertilizers.

When asked what the greatest challenges were for superintendents in the year ahead there were three primary responses: rising fuel costs, labor costs and equipment replacement.

It is difficult to manage fuel costs as so much is dependent on things outside of the superintendent’s control. It is also not a major budget item for most. However, there are many new options out there for the electric-powered equipment and alternative fuel sources. Looking to the future, it may be cost-effective to pay for a higher-priced piece of equipment that has greater energy savings in the long run.

Deferred equipment purchases are making it more difficult to manage a golf course. Increased repair costs and additional downtime for equipment has a cost that should be considered. There are a number of viable options for funding equipment replacement which might include leasing, buying used equipment or financing.

As stated earlier, labor is the key to budget management. Doing more with less is the way to stay in business. However, you can only reduce manpower so much before it starts to have a long-term negative impact on the golf course and golfing experience. We should all have caution that you can cut the fat out of the budget – but eventually you may start cutting into the bone.

CAPITAL EXPENDITURES. It would be difficult to have any conclusion regarding responses to the amount of capital expenditures. The numbers ran the gambit from no expenditures to significant golf course renovations. More important was the percentage of areas under consideration for spending capital dollars.

Less than a quarter indicated they would have course renovation as their primary focus while more than half indicated equip-

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Economic health

It's no secret that the recent economic downturn has been difficult for the golf industry.

The good news, according to GCI research, is that about a third of superintendents report their golf course facilities made money in 2011. The bad news, with the exception of private facilities (35 percent), less than a third broke even, and a third of private courses and more than 40 percent of public facilities lost money.

So what's the long-term prognosis for fiscal health? More than half of superintendents predicted their facilities will be more economically viable in the next three years, with 54 percent of private clubs' turf managers and 63 percent at public facilities holding on to a positive outlook. A little more than a third (39 percent) of those at private courses expected little to no change in three years, and less than a third at public courses agreed. Overall, less than 10 percent were pessimistic about their facilities' economic viability.

We asked those supers with optimistic outlooks why they felt this was. Here are some of their responses:

- I feel we will continue to attract new members and that is our life blood.
- We are receiving more interest in memberships.
- We budgeted to break even.
- I believe the industry will turn around, with price reductions clubs should attract new golfers, or old golfers who maybe stopped playing. Overall, I see courses making sacrifices to get more golfers through the doors, which should lead to an upswing in rounds per year.
- Better economy and our company is growing, which allows us to get better prices from vendors.
- Since I have been at this facility we have improved financially every year and I am confident we will continue to do so.
- Our net membership numbers have held constant or slightly increased in the last three years. Many members that were lost were not that active and have been replaced with younger members that are utilizing the club's facilities and services. Also, our business model projects cash flow to increase substantially in 2014 due to initiation fees becoming due in full and discounted monthly dues to end.
- Lean times make you take a closer look at your operation which in turn requires you to make changes to streamline your operation thus producing the same product but at a lower cost.
- Positioning our financial picture for maximum performance with the least amount of expense.

In 2011, did your facility make money or lose money?

- Made money
- Broke even
- Lost money

---

Do you believe your facility will be more or less economically viable three years from now?

- More economically viable
- The same
- Less economically viable

---

Made money
Broke even
Lost money

ALL
PRIVATE
PUBLIC

More economically viable
The same
Less economically viable

ALL
PRIVATE
PUBLIC

Golf Course Industry
**GENERIC VS. NAME-BRAND PRODUCTS**

Superintendents are nearly split about their preference between using name-brand formulation and generic products. While a preference for name-brand products won out with turf managers at private and public facilities, the margin between the two was not too great and never exceeded a 10 percent difference.

For the survey, we defined a “generic” product as an off-patent product sold as a less-expensive alternative to an original formula.

**Capital projects**

At this time and heading into 2012, golf course facilities seem more willing to focus capital spending on replacing and or updating/upgrading turf equipment over other expenditures, such as course renovation, irrigation upgrades and infrastructure additions. Around 16 percent of all facilities indicated they would place a primary capital spending focus in the coming year on golf cart fleet upgrades, lake restoration and dredging, facility landscaping projects and the addition of driving ranges.

Overall, private facilities supporting more than 18 holes indicate they will be spending the most – an average of nearly $445,000, while public, 18-hole facilities would be spending the least - an average of around $70,400.

Planned 2012 capital projects/purchasing budget

<table>
<thead>
<tr>
<th></th>
<th>ALL 18-HOLE FACILITIES</th>
<th>18-PLUS HOLE FACILITIES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ALL</td>
<td>PRIVATE</td>
</tr>
<tr>
<td>$160,724</td>
<td>$97,000</td>
<td>$121,060</td>
</tr>
</tbody>
</table>

What is the primary focus of your capital spending in 2012?

- Course renovation
- Equipment purchases
- Major irrigation upgrade
- Infrastructure/buildings
- Other

**MORE control.**

Clover, thistle and over 250 other broadleaf weeds disappear with one application of Millennium Ultra². With "meltdown" and residual control, it keeps turf clean and pristine for weeks, and can be applied virtually any time for maximum flexibility. That's how Nufarm brings you more control – and more confidence. Ask your distributor for Millennium Ultra².

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Our focus is Bermudagrass Greens...

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- Breeders of CHAMPION Dwarf Bermudagrass Released in 1995
- Breeders of EMERALD Dwarf Bermudagrass Released in 2007
- Creators of the No-Till Renovation Process Used to Convert Over 300 Courses to CHAMPION
- Developing Numerous Innovations in Production and Planting Techniques

Nobody does it better...

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- Guaranteed Establishment
- Refrigerated Transportation Of Planting Stock
- Sprigs Treated With Fungicides Before Shipping
- The Fastest Grow-In Possible
- No Contamination During Installation
- No Nematodes In The Planting Stock
- No Weeds In Planting Stock
- No Soil In Planting Stock
- No Heavy Equipment On Your Greens
- We Are Always There In Person To Install Your Greens

Follow-up support after installation...

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### Tour Events Played on Our Greens in 2011

<table>
<thead>
<tr>
<th>Event</th>
<th>Club Name</th>
<th>City, State</th>
<th>Month, Dates</th>
<th>Greens Planted Year(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Arnold Palmer Invitational</td>
<td>Bay Hill Club &amp; Lodge</td>
<td>Orlando, Florida</td>
<td>March 24th-27th</td>
<td>2009</td>
</tr>
<tr>
<td>PGA Championship</td>
<td>Atlanta Athletic Club</td>
<td>Johns Creek, GA</td>
<td>August 11th-14th</td>
<td>2009</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>First Major Championship Played On Bermudagrass Greens In Decades</td>
<td></td>
</tr>
<tr>
<td>Valero Texas Open</td>
<td>TPC San Antonio</td>
<td>San Antonio, Texas</td>
<td>April 14th-17th</td>
<td>2009</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Emerald greens planted 2009</td>
<td></td>
</tr>
<tr>
<td>Navistar LPGA Classic</td>
<td>RTJ Golf Trail, Capitol Hill</td>
<td>Prattville, Alabama</td>
<td>September 15th-18th</td>
<td>2011</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Champions greens planted 2011</td>
<td></td>
</tr>
<tr>
<td>Outback Steakhouse Pro-Am</td>
<td>TPC Tampa Bay</td>
<td>Lutz, Florida</td>
<td>April 15th-17th</td>
<td>2009</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Champions greens planted 2009</td>
<td></td>
</tr>
<tr>
<td>Administrative Small Business Classic</td>
<td>Woodlands Country Club</td>
<td>Houston, Texas</td>
<td>October 7th-9th</td>
<td>1996</td>
</tr>
<tr>
<td>St. Jude Classic</td>
<td>TPC Southwind</td>
<td>Memphis, Tennessee</td>
<td>June 9th-12th</td>
<td>2004</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Champions greens planted 2004</td>
<td></td>
</tr>
<tr>
<td>Viking Classic</td>
<td>Annandale Golf Club</td>
<td>Madison, Mississippi</td>
<td>July 14th-17th</td>
<td>2006</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Champions greens planted 2006</td>
<td></td>
</tr>
<tr>
<td>AT&amp;T Championship</td>
<td>TPC San Antonio</td>
<td>San Antonio, Texas</td>
<td>October 14th-16th</td>
<td>2009</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Champions greens planted 2009</td>
<td></td>
</tr>
<tr>
<td>Sherwood LPGA Taiwan Championship</td>
<td>Sunrise Golf &amp; Country Club</td>
<td>Taiwan, Republic of China</td>
<td>October 20th-23rd</td>
<td>2001</td>
</tr>
</tbody>
</table>

For a Complete List of Courses Please Visit:
www.championturffarms.com
Equipment purchases. This all falls hand-in-hand with my prior comments that you can only put a hold on equipment purchases for so long before the fleet starts to fail. Several years of not purchasing equipment can take twice that amount of time to play catch up unless things move along at an accelerated pace. Looks like good news for those that are selling equipment. GCI

Bruce Williams serves as principal for both Bruce Williams Golf Consulting and Executive Golf Search. He is a frequent GCI contributor.

Most superintendents do not factor in overseeding into their overall seed budgets. In fact, around two-thirds keep overseeding costs as a separate budget item.

So what's the cost for overseeding? Turf managers at public facilities with greater than 18 holes budget the most at around $22,000. In contrast, private 18-hole facilities spend just under $6,000.

If you overseed, how much do you budget?

<table>
<thead>
<tr>
<th></th>
<th>PRIVATE</th>
<th>PUBLIC</th>
</tr>
</thead>
<tbody>
<tr>
<td>All facilities</td>
<td>$9,491</td>
<td>$15,870</td>
</tr>
<tr>
<td>18-hole facilities</td>
<td>$5,702</td>
<td>$8,487</td>
</tr>
<tr>
<td>18-plus-hole facilities</td>
<td>$19,057</td>
<td>$21,803</td>
</tr>
</tbody>
</table>

Does your seed budget include overseeding costs?

- **Yes**: 24% (ALL), 23% (PRIVATE), 25% (PUBLIC)
- **No**: 76% (ALL), 77% (PRIVATE), 75% (PUBLIC)

---

Planned equipment purchases in 2012?

- **Other**: 43%
- **Utility vehicle(s)**: 42%
- **Greensmower(s)**: 37%
- **Rotary mower(s)**: 31%
- **Deferred capital spending**: 12%
- **Vacuum/Blower(s)**: 11%
- **Top Dresser(s)**: 4%

Editor's note: "Other" included equipment such as tractors, skid steers, loaders, lifts, etc.

Do you lease the majority of your mowing/cultivation equipment?

- **Yes**: 19%
- **No**: 81%

If so, what's the annual cost to lease mowing/cultivation equipment?

- **ALL**: $119,802
- **PRIVATE**: $143,553
- **PUBLIC**: $96,051

Are you responsible for golf car fleet maintenance?

- **Yes**: 32%
- **No**: 68%

If so, what is the annual cost for golf car fleet maintenance?

- **ALL**: $6,415
- **PRIVATE**: $5,261
- **PUBLIC**: $7,569
GOOD NEWS, BAD NEWS

The new year is the usual time for people to look around, look at themselves, and think seriously about the future. In the golf business, the year begins with the PGA Merchandise Show and the Golf Industry Show. I just came back from Orlando, and while that huge massing of the industry is about much more than just superintendents and others in our industry, what happens there affects us mightily. Those breathing the rarefied air need to come down from their pedestals and get a reality check. What I see is disturbing, and it impacts us at the ground level.

There was a lot said and seen at the show sure to impact our jobs and lives in the months to come: some good, some not so good. Here’s my take on the industry’s big issues and concerns.

TIGER WOODS NEEDS TO START WINNING AGAIN. His presence at tournaments and his ability to play well generate excitement and enthusiasm at all levels. He stimulates interest and despite everything is good for the game. That said, a word of advice for the game’s greatest golfer: Hey Tiger, please be a little friendlier out there. A bit of Arnie wouldn’t hurt.

CHINA. I’ve been there, enjoyed the country and its hospitality, and am thrilled a country of 1.6 billion is excited about golf. But China is not going to save the game. How will it help golf here at home? How many people can we send to China for jobs? Giving work to a dozen American architects isn’t going to do much for our trade imbalance. We need to worry about our own backyard right now and less about China.

GOLFS GOVERNING BODIES. I tend to be critical of the game’s leaders based on the progress I’ve seen during the past few years. What I’ve been hearing lately is about what I’ve come to expect. In short, there’s some good and some not-so-good. On the good side, the USGA, PGA of America, PGA Tour and the rest keep making announcements about programs and ideas to grow the game. I’m all for throwing as much against the wall as possible and hope something sticks. That said, the PGA of America’s roll-out of Golf 2.0 told us once again what we already know: Golf is expensive, takes too much time, and the number of players is dwindling. There may be some successful ideas to come; only time will tell if any of the new programs and initiatives move the needle.

Most disturbing is the attitude of our industry’s leaders, who remain unwilling to reach out to others in this time of real need. There’s too much talking to the same people, too much preaching to the choir. We need more action and fewer words. Leadership needs to come up with real solutions, and nowhere is that more important than in our corner of the industry. We need more ideas and more help for superintendents who are losing their jobs and budgets. So the rest of my thoughts look specifically at our world.

EXPECTATIONS. In this time of reduced finances and dwindling maintenance budgets, those who play the game need to reduce their expectations for conditioning. If a superintendent’s budget is cut by 15 percent, the membership needs to reduce its expectations of conditioning accordingly. It would be nice if the board at your club didn’t just call you in and tell you the budget has been slashed: The board should tell the members/golfers that, too. Don’t be afraid to ask the board to make sure everyone playing the course understands what has happened. You don’t want to get too defensive, but you also want everyone to know that it isn’t your fault. And when the year is over and everyone says how pleased they were with the course conditions in the season just passed, find a way to tactfully remind them of the magic you did with a 15 percent smaller budget.

SUPPORT TURFGRASS RESEARCH. I don’t just mean at the top, but at local and regional association levels, too. We need to find ways to raise money for research relevant to our geographic areas. We can’t depend on the USGA and other national organizations to fund research about our own backyards.

WEATHER AND PEOPLE. Here’s a statement that won’t shock any of you: The average player/member doesn’t understand that the biggest elements over which we have the least control are weather and people, including owners, golfers, staff and environmentalists.

Nothing affects the superintendent as much as the weather. For proof, just look at what happened last year. We had to deal with droughts and monsoons, which not only hurt courses but caused many of our own to lose their jobs. Do your golfers understand that too much water on the course is as bad as too little? What are we doing to educate them? (continued on page 80)
Sights and sounds are often giveaways to a place of business. From sparks and the smoke of stick welders in a machine shop to the clanging and rattling of stanchions and drinking cups in a dairy barn, the familiarity of either place couldn’t be mistaken.

So it is with a golf course shop — the smell of gas and diesel fuel, the unmistakable aroma of grass clippings and the sound of backlapping machines at work left no doubt about our places of business.

Maybe I should say, “was.” Stick welders are used, but less often than MIG and TIG welders, dairy barns are now usually free stalls with no stanchions or drinking cups and, as I have noticed in my travels around the Midwest, I

GCI’s Monroe Miller takes a close look at the methodology behind backlapping and blade sharpening, by Monroe Miller

or engineering?
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Superintendents have seen typical downstream effects associated with ISR including:

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- turf is better positioned to deal with drought
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EQUIPMENT

don’t hear backlapping machines at work as often as I used to.

I always enjoyed the soothing sound of lapping compound on reel and knife, and was anxious to put really sharp mowers on our golf playing surfaces. Sometimes a stone would nick a reel or a buttress root would bend an edge of a bedknife, and the lapping machines came out for the repair. It started with a clickity-clack, but as the dinged-up reel or bedknife was matched, it became a rhythmic, almost harmonic sound. And it seemed backlapping was going on a couple days a week.

More than a few times I have wondered why backlapping seems less prevalent than I remember. I figured a lot of it out by thinking of the obvious. There was a time we mowed fairways with triplex greens mowers (we had the Jake GK 62s) and triplexes like the Ransomes Motor 180s. We had to use seven machines to get the job done – and we mowed fairways on a daily basis with the grass catchers. Why we ever did that is the subject for another conversation! We always had a couple of triplexes in reserve as backups or for tournaments and simultees. Triplex mowers at that time also cut greens and tees – four more machines. Roughs were nearly universally mowed with reel mowers – we had 10 gangs dedicated to that. No wonder we backlapped so much! We also had five National triplexes to cut green and tee surrounds, and another triplex cut the intermediate rough/fairway collar. As with nearly everyone else, triplex cutters were used for green collars and approaches, too. It added up to nearly 70 reels at work on a given day, and they all required at least some attention during the season. Granted, not all reels were backlapped every week or even each month, but enough of them required close enough attention that we went through buckets of lapping compound to keep cutting edges sharp. I recall hearing about big clubs in the Chicago area that backlapped their greens mowers every day – it filled me with envy!

Let’s face it, no superintendent plans carefully and dutifully to execute a turf management program that could be diminished by something as simple as a dull mower.”