

# News

## PRIVATE VS. PUBLIC

### Burlington, N.C. owners fight city course

A fight by 10 owners and pros of daily fee courses in Burlington, N.C., and surrounding Alamance County against the low fees and occasional no markup of pro shop merchandise at a municipal course has spurred an investigation of that course's business practices by the Burlington recreation commission.

The fight envelops many of the traditional issues that daily fee owners normally object to, specifically low rates. But there are also a number of deviations from the norm that make the Burlington situation unique.

The city of about 50,000 persons purchased the golf course in 1975, even though there were already too many golf courses in Alamance and the three surrounding counties for all to be profitable, according to National Golf Foundation figures. The new course, Indian Valley Golf Club, lies about 4 miles north of the city limits and draws numerous players from outside of Burlington who do not support the course with taxes.

And now, in reaction to the charges of cut-rate greens fees, an ad hoc committee of the recreation commission will recommend that rates be raised to match those at daily fee courses. If the city council approves the increase, one major reason for establishing a municipal golf course has become nullified.

The daily fee operators and pros joined forces and hired an attorney after an advertisement December 17, 1977, in the Burlington Times-News. The city said in the ad that numerous pro shop items would be sold at discounts for Christmas specials; all golf balls were sold at \$11 a dozen, gloves at \$4, sweaters from \$6.50 to \$13.

But it also advertised that all shoes, golf bags, and accessory items would be sold at \$1 over cost and golf clubs at cost plus tax. Sets of Wilson model 1200 woods and irons were sold at \$265, Wilson LD woods and irons at \$155, Wilson Staff woods and irons at \$250 and

all Hogan Apex and Director woods and irons at \$265.

Even though this tactic upset the daily fee owners, they were more concerned about the methods they believed the city was using to keep up the course. "We're worried about the use of unlimited funds for the golf course more than about merchandise, but the merchandise was proof of their attitude," said Steve Walker of the Shamrock Golf Club in Burlington.

The daily fee contingent is maintaining that the city course has attempted to needlessly undercut their operations in the past. They point to lower rates, special discounts for nearby college students (\$2 for 18 holes on weekdays) special group rates, and the use of city employees from other city departments to cut course maintenance costs that are not reflected in their expenses.

The city denies many of the charges, especially the one concerning the use of other city employees. They were also embarrassed by the discovery that 47 sweaters intended to be sold at the Indian Valley pro shop were allegedly delivered to city hall and purchased by city employees for \$6.25 each.

The city purchased the course from a private individual in 1975 apparently for about \$425,000. Cecil McKay Jr., a golf course

realtor in Lansing, Mich., told GOLF BUSINESS he had tried to sell the course for \$472,000 before the city bought it, but had no takers after more than 30 inquiries. Prospective buyers complained that the second nine was not complete and that course equipment and the clubhouse were inadequate.

City officials told residents that the federal government would pay for half of the purchase cost when attempting to sell the idea, according to Walker. Once the property was purchased, the Bureau of Outdoor Recreation, an agency of the U.S. Interior Department, turned down the city's bid since there was no public need; there already were enough courses.

The reason for the purchase is still hazy. Some residents and daily fee officials blame former mayor and councilman Paul Andrews. He was accused at a public meeting of playing golf for free at the course with a guest pass and also waiving fees for his guests. The city does allot 19 free passes for its officials and the media, but no one has been able to prove that Andrews is guilty of any wrongdoing concerning the purchase.

The cries of the daily fee owners have brought some preliminary recommendations from a committee of the recreation commission that should please them.

The committee has agreed to increase fees 50 cents, which raises rates to \$4 on weekdays and \$5 on weekends, the same as those at many daily fee courses.

They also want to take softgoods out of the pro shop, hire a ranger to monitor those who pay for nine holes but attempt to play 18, and limit discount rates to students who are 18 years or younger.

Approval of the recommendations must be given by the city council.

## PUBLIC COURSES

### 100 Michigan owners join association

About 100 daily fee golf course owners in Michigan, troubled by increasing financial problems, have each anted \$25 and formed the Michigan Association of Public Golf Courses.

The group has been formed to derive financial benefits and put together educational programs to help owners improve their golf course and operations management.

The association was formed about three months ago, said Dick Grossnackle, a member and owner of the Perry Golf Course in Perry, Mich. He said the primary catalyst in forming the group was a hope that insurance costs could be trimmed.

"After talking to five or six different companies, we found one who will write for the individual courses that are members of the association at about a 25 percent savings," Grossnackle said. The owner said his \$4,600 insurance premium was slashed by \$1,100 since the insurance company received business from so many golf courses.

The group feels, though, that this is just one way they will benefit from the association. They want to hire a full-time manager in about a year to coordinate the insurance program and act as a lobbyist on tax issues that concern the owners. The owners feel they need an organization to help them fight ever-increasing property taxes, said Cecil McKay Jr., a golf course appraiser and realtor in Lansing who is the group's acting executive secretary.

"The seminars on taxation were the most poorly attended sessions at the National Golf Foundation's workshop for daily fee owners in November," McKay said. "It's because they're frustrated and

### NATIONAL GOLF FOUNDATION BOX SCORE

January-May 1978		REGULATION COURSES	EXECUTIVE COURSES	PAR 3 COURSES	TOTAL
OPENED FOR PLAY	New	12	6	1	34
	Additions	11	4	0	
STARTED CONSTRUCTION	New	22	3	1	41
	Additions	12	2	1	
PROSPECTIVE		49	4	4	57

don't feel they can really do much about it by themselves."

McKay feels the heart of the association will be numerous education programs on golf course management. "We're trying to set up the association for business management aspects. The biggest problem in the golf industry is that no book or guidelines have ever been written for golf course management," said McKay.

The group is working with the Michigan PGA Section to include a seminar for daily fee management at a state PGA show in mid-October.

The association hopes to pay for its manager and other expenses, such as a planned newsletter, through proceeds from a state tournament this summer.

Amateur golfers who play at daily fee courses can enter the tournament for \$10 each. Winners from each course will meet for the state championship in the first week in August, with the association guaranteeing \$1,400 in prize money for the top finishers. Grossnackle said the association expects to net about \$20,000 from the tournament.

McKay said the tournament has been devised so association owners won't have to pay dues that will become too high in the future and force owners to drop out. "We want to have a source of income other than dues to pay the manager's salary," he said.

Dan Burgess, owner of Hickory Hills golf course in Jackson, Mich., is the president of the association. Other officers are Keith Ronan, vice president, owner of Alwyn Downs golf course in Marshall, and Jack Grossnackle, Perry golf course.

McKay said attempts to organize other state associations are taking place in Ohio, Indiana, Florida, and North Carolina.

#### GOVERNMENT GOLF

### Courses may unite as OPRA chapter

A movement has been initiated in Ohio to form an organization under the auspices of the Ohio Parks and Recreation Association to unite approximately 70 government golf courses in the state. Included would be golf facilities operated by municipalities, counties, the state itself, and other government bodies.

The organization would be a chapter of the OPRA and would provide for "the free exchange of

ideas among golf administrators, golf course managers, golf professionals, golf superintendents, and others," according to Gene Burress, supervisor of golf for the City of Cincinnati and one of the prime movers of the idea.

Burress suggested the organization could provide guidance in organizational structure, job descriptions and salaries, expense accounting, purchasing, setting greens fees, player development, and similar areas.

#### OPEN SPACE RULING

### Two Maryland clubs retain tax privileges

Concluding a legal struggle that goes back several years (see GB, August 1976, p. 20), Maryland Attorney General Francis B. Burch recently ruled that the Burning Tree Club and Congressional Country Club, located just a mile apart in the Washington suburb of Bethesda, could retain their "open space" preferential tax treatment because they do not discriminate on the basis of race, sex, religion, or national origin.

The prestigious, all-male Burning Tree, the golf club of U.S. presidents, was given a clean bill under a provision of the law that makes discrimination against women acceptable if the club is operated "primarily" for men.

Burch cited as evidence the fact that the men's locker room occupies two-thirds of the clubhouse and a substantial addition would have to be built in order to accommodate both sexes. He also observed that Burning Tree, unlike other clubs, "does not play host to women at any time." He noted that the golf shop, separate from the clubhouse, "allows entry to members' wives only by appointment on specific December days prior to Christmas."

The ruling also found that Burning Tree does not discriminate against race, because the 547 members include two blacks as well as "members of Spanish, Indian, and Oriental origin."

Congressional was found not to be discriminate against blacks even though it has no black members. An opinion of the attorney general's office noted that the club adopted a new policy of screening applicants last December that was an "affirmative action to make its membership practices more open and less susceptible" to the "blackball."

#### COMPANIES

### Textron agrees to buy Jacobsen

Textron Inc. and Allegheny Ludlum Industries Inc. signed an agreement in principle on May 3 for Textron to acquire for an undisclosed amount of cash the assets and business of Jacobsen Manufacturing Co., an Allegheny subsidiary producing tractors, mowers, and other course maintenance equipment.

Corporate officials declined to comment until the deal is finalized — which Jacobsen Advertising Manager Roy L. Beatty said would be about June 1. No drastic changes in organization were expected, however.

Textron is already involved in the golf business through such subsidiaries as E-Z-Go golf cars, Homelite power equipment, and Bell helicopters.

### Toro sets record for quarterly sales

The continued increase in the sale of turf irrigation equipment helped The Toro Co. achieve sales of \$71.8 million from February through April, the highest amount during any quarter in the company's history, David T. McLaughlin, chairman and chief executive officer, has announced.

Sales of turf irrigation equipment rose 67 percent during those three months compared to the same period last year.

### Jacobsen closes sodcutter plant

Jacobsen Manufacturing Co. stopped production on all sodcutters and three other pieces of equipment, and also shut down its Minneapolis factory on April 26, said Howard L. McPherson, vice president and general manager of the Turf Products Division.

Other products that were discontinued are the Edge-R-Rite, an edger used for trimming; Sub-Air, an aerator; and Mete-R-Matic, a machine used for top dressing.

The company will continue to supply parts for the equipment through its dealers and distributors.

The production of Trap King,

the machine that rakes sand traps, will be moved to its Racine, Wis., plant.

This is the second plant Jacobsen has closed within a year. Its Bruce, Wis., plant closed on July 1, 1977. "The closings are part of a total program aimed at utilizing manufacturing capacities more efficiently," McPherson said.

#### SEED

### Still no decision on burning limits

As of late May, no decision had yet been made by the U.S. Environmental Protection Agency's regional office in Seattle on the amount of land in Oregon that will be allowed for field burning this year by the state's grass seed growers.

State law limits the burning to 50,000 acres, but the Oregon Seed Council is requesting that 180,000 acres be burned this year to prepare the land for the 1979 seed crop. Opposition has formed in Springfield and Eugene, with residents in the latter city reportedly not wanting any land to be burned.

Groups there say particulates from the burning fields create a health hazard and violate the federal Clean Air Act.

A 50,000-acre limit will cause a gradual deterioration of seed quality and a 25 to 75 percent reduction in the amount of seed produced for the 1979 crop, said Dave Nelson, executive secretary for the Oregon Seed Council.

Oregon Assistant Attorney General Don Arnold has said he believes the growers will be allowed to burn between 100,000 and 120,000 acres. "They hinted they would allow something over the 50,000-acre limit," Arnold said.

Nelson has proposed that growers use backfiring and strip-lighting to reduce the particulate levels, but apparently the idea has not impressed government officials. Nelson said the group is prepared to go to court if the EPA does not grant the 180,000-acre limit or its equivalent by using the alternative burning methods.

Seed growers have been asked to contribute funds for a possible legal fight and the seed companies will be approached, Nelson said.

The Seed Council feels burning has done little to violate the clean air standards in Eugene and Springfield.