All Quiet on the Construction Front

The land that was supposed to transform into the bustling Maine National Golf Club in 2008 turned out to be a quiet piece of property for most of the year.

Earlier in the year, the site was brisk with sounds of heavy equipment reworking the land into a highly anticipated private layout. But the recession put a stop to the project on all but a small amount of work for Mark Eitelman, owner of Agri-Scape Golf Construction, and his crew. Now and again Eitelman and some of his employees will inspect the site that was about 30 percent cleared when the job was halted. They visit the disturbed land to make sure that silt fences are in place and that no runoff is making its way into a nearby pond.

“We’re there on an as-needed basis,” Eitelman says of the Brad Booth-Brad Faxon design on the south Maine coast. “We’re still dealing with the Department of Environmental Protection and erosion-control issues. We’re babysitting the site.”

Eitelman has not been given a time frame as when the project might start up again, and he does not foresee it happening anytime soon, maybe not even in 2009.

The sour New England golf market, where the only new course that opened in 2008 was the Brian Silva-designed Old Marsh Country Club, a semi-private layout coincidentally also in Wells, is not an aberration. Long before it was formally announced the country was in a recession, the golf course design

Continued on page 24
Continued from page 22

and construction industry, from the jagged Maine coastline to the fog-shrouded shores of northern California, was mired in such a state.

2008 marks the third consecutive year that more golf courses across the country closed than opened. In 2007, the National Golf Foundation said the equivalent of 121.5 18-hole courses closed while 113 opened. In 2006, 146 shut down and 119.5 opened. The NGF reported that 72 courses opened in 2008, the lowest number in 20 years. The NGF said there were 106 closures in 2008.

New course construction has virtually ground to a halt. It wasn’t long ago that opportunities for renovations and restorations were passed over by many of the larger construction companies and highest-priced architects. But not anymore.

Most of the rest of the world is not that different from North America. There are burgeoning markets such as Eastern Europe, but the golf crisis is global for the most part. And no one can predict, with any semblance of faith, when it will end. Agri-Scape’s Eitelman says that where once his business in the United States was 80 percent new construction and 20 percent renovations, it has been 90 percent renovation and 10 percent new construction for the last three years. Eitelman said he saw the downturn coming and was prepared for it, adding that he “re-gared” the company.

“We downsized our crew and equipment,” he says. “A lot of our big earthmoving equipment is parked in the yard.”

Three years ago, Agri-Scape employed 60 to 70 during the summer. In 2008 that number was between 25 and 30. Last year the company worked on a number of projects where it performed everything from major bunker renovations to irrigation and drainage work. Agri-Scape also handled much of the sodding.

Some of the jobs came at financially sound private clubs. “The older, stable facilities have money,” Eitelman says. “There’s always going to be that kind of work around.”

But Eitelman says that even those courses have cut back. Where once the projects were budgeted for $300,000, they were reduced to $150,000 or $200,000. Making matters worse for Agri-Scape and other small companies is that the big boys on the block are bidding on smaller renovation contracts they once passed over.

Tom Shapland, president of the Midwest office for Wadsworth Golf Construction, the largest golf course builder in the United States, said a $1 million project was the smallest the company would be involved with not too long ago. Now Wadsworth is going after jobs nearly half that number. “It’s very bad, very depressed,” says Shapland, who has been with Wadsworth for 40 years.

Continued on page 26
Continued from page 24

At the end of 2008, Wadsworth was working on a variety of projects in the United States, including new construction for a private facility and a municipality as well as various renovation projects of varying sizes. To help cut costs, the company is restructuring its equipment fleet and not filling job openings when employees move on. As a result, the remaining workers can find themselves performing duties they have not done in a while.

“A lot of key people in lead positions are now in secondary positions; shapers might be running track hoes,” Shapland says. “You end up with all-star casts on the jobs.”

Architect Craig Schreiner, based in Myrtle Beach, S.C., has experienced such lineups with the architecture firms of which he has worked. “They’re keeping the best workers,” he said. “And they’re having to pay attention to projects they might not have before.”

Those courses that can afford work are benefiting from the downturn. “We’re seeing more competitive pricing,” Schreiner says. “For clubs that have money, this is a really good time.”

Schreiner, who moved his headquarters to Myrtle Beach in 1990 after being based in Kansas City, Mo., for 18 years, said his business was up 46 percent in 2008 over 2007, but he knows he’s fortunate to have had such success. Schreiner does have some new-course construction in the works, but the majority of his business comes from existing facilities.

Not every architect is able to secure such jobs, at least not in the United States. Brit Stenson, director of design for IMG Golf Course Services which works mostly in Europe and Asia, says some designers in need of work are traveling overseas for the first time to find it.

“There’s more competition because more guys are coming over,” he says.

Business remains strong in places like China, Austria, Costa Rica and Kazakhstan, although other countries that have been in a building boom are slacking, such as Vietnam and Thailand.

“You can clearly see the slowdown,” Stenson says.

The present and the future are much the same in Canada, where Doug Carrick has designed courses for more than 20 years. After a decade of healthy business in and around Toronto, near where his
Craig Schreiner
Architect, Schreiner Golf Inc.

“We’re seeing more competitive pricing. For clubs that have money, this is a really good time.”

business is based, Carrick says work has dwindled as it has in places like Nova Scotia and New Brunswick. Courses are being built and planned in two regions of Canada, however. British Columbia, where tourism is big and Alberta, where oil money can be found, continue to see growth.

Carrick has no idea when the outlook in North America, or elsewhere, will change. “I don’t know if anyone knows how long this recession is going to last,” Carrick says.

There is a combination of steps needed to survive this downturn or it will put construction companies and architects out of business or, at least, out of the golf business, Carrick and others say.

Carrick has only two other partners so a firm with three employees has a better chance of riding out the bad times. His company has its hand in a variety of projects from small renovations to full-scale designs.

Another key to gaining business, according to Agri-Scapes Etelman, is maintaining a relationship with nearly every course on which he’s worked.

“Whatever the project is, whether we build or renovate, we look at them as friends,” he says.

As a result, he has repeat customers, usually high-end private or resort facilities that want to keep their layouts as good as they can be, which can mean bunker touch-ups, small drainage and irrigation projects, or even the recontouring of fairways and greens.

Schreiner has already seen clubs giving more attention to their practice areas and says he expects that trend to continue.

Despite the downturn, the architects and builders look to the future with hope.

“I don’t think it’s going to be good in 2009, but it will be better in 2010,” says Wadsworth’s Shapland, noting that’s his gut feeling. “It’s hard to be a contractor and not be an optimist.”

In field and lab testing, Rain Bird EAGLE Series Rotors were up to 23% more efficient than the next closest competitor’s rotors.

To learn more about the testing, visit www.rainbird.com/NewEagle.