Turf can be damaged by everything from a golf cart on a wet day to fungus and disease. The Turf Essentials™ combination fungicides, along with Daconil®, provide a streamlined approach to preventing a broad spectrum of turf diseases. Like you, Syngenta understands the impact no matter what's affecting your course. We take conditions personally.

They might as well key your car.

1-866-SYNGENTA • TurfEssentials.com
Golf course budgets are bleeding. Prices for everything from irrigation systems, turfgrass and fertilizer to pancake flour and golf car batteries are on the rise, hampering operations and wreaking havoc on renovation projects.

Golf course products are following the rapid rise in precious metals, oil, grain and other commodities traded in the futures markets, which some say are inflated because of investor speculation, supply and heightened demand from abroad. First, ebbing global financial markets combined with America's housing halt has hampered investor returns. So financiers are gambling on raw materials, which have dwarfed traditional dividends during the past few years. Second, emerging economies are competing for building materials, oil and other goods.

"Unfortunately, we're in a situation now where investors are looking at rates of return and they're going to invest more and more in commodities," says Chad Moutray, chief economist for the Small Business Administration. "Some of them might be in a bubble situation, and

Continued on page 24

The golf course industry battles vicious price hikes and fierce economic pressures, but relief could be in sight.
Bearing the Brunt

Continued from page 23

others are based a little more on supply and demand, and it's really hurting businesses. I do see an end, partly because I think they're in a bubble. Most economists vary their opinion depending on the commodity."

Many golf industry suppliers, as well as golf properties, are battling the price hikes as they fight to stay competitive in their given markets. Many large manufacturers are able to leverage the synergies they have with their subsidiaries and take advantage of the buying prowess that comes with economies of scale. But for smaller businesses, such as golf properties, the ability to mitigate inflation is reduced greatly.

"Any time commodity prices go up, that increases the cost of doing business pretty substantially, and you may or may not have the ability to pass those prices along in a global marketplace," Moutray says. "In many cases, small firms are unable to hedge their bets in the futures markets."

It's all goods

Golf equipment manufacturers are bearing the brunt of rising metal prices. Everything is influenced by oil prices at least for transportation. Other products, such as fertilizers, turfgrass chemicals and drainage pipe, have some oil in the manufacturing process that creates a double whammy.

"All this nonsense in the commodities is influencing our product, which in turn is influencing golf," says Phil Gaffney, vice president of sourcing for Club Car.

Prices of many of the plastics that comprise a golf car are on the rise, but the largest increases in the supplier's product reside in metals. There are 12.5 pounds of copper in each of Club Car's DC electric vehicles, and there is up to 10 pounds of copper in its battery chargers. Batteries alone could contribute to price increases for golf clubs. More than 200 pounds of lead exist in the rechargeable electric batteries made by Trojan Battery Co., which sells its product to all the major manufacturers, including Club Car, E-Z-GO and Yamaha. Lead was at an all-time low in 2001 at about $400 a ton. It reached $3,900 per ton earlier this year before retreating back to about $2,100 in late June.

"This is a global phenomenon," Gaffney says. "We are used to cycles, but this combination of the weak dollar, the price of raw materials and commodities and the value of oil is an absolute anomaly."

Food for Thought

Your fertilizer budget might be high, but it's part of a larger, inter-related dilemma: Parts of the world are literally up in arms over food prices. Riots in Haiti, Egypt and Somalia are just the beginning, analysts say. Food inventory continues to be an oxymoron worldwide as world grain prices climb to precarious levels for many developing countries.

The United States isn't immune from the pressure. Sam's Club recently put a rice ration on its customers: You can only buy four of its 20-pound bags. That might not curtail the buying habits of most shoppers, but it could be a forward indicator of what's to come as more reports hit the mainstream media of bulk buyers — Costco has its own rice ration in some of its stores, too — stocking up on grains to hedge their bets with supply and demand. And country clubs around the country are feeling the fallout in their foodservice operations as everything from flour to carry-out containers skyrockets to keep pace with global supply and demand.

In early June, The Food and Agriculture Organization of the United Nations convened an emergency food summit to discuss how oil prices, supply, demand and food distribution were affecting worldwide availability and grain prices.

The Food and Agriculture Organization's Global Food Price Index, consisting of grains, dairy, meat, oil, fat and sugar prices, rose by 54 percent in the past 12 months. Grain alone jumped 92 percent in the trailing 12 months, and dairy products have about doubled in the past two years.

Closer to home, the production of biofuels has been controversial as more fertile farmland ceases to reap food for human consumption. Estimates for the impact of farming for biofuels vary widely, but the International Food Policy Research Institute estimates that 30 percent of the rise in grain prices between 2000 and 2007 can be attributed to heightened demand for bioenergy, and almost half of that increase can be attributed to corn-based ethanol.

As if the food outlook couldn't get any worse, the overflow of the Mississippi River and some of its tributaries across America's heartland will further crimp supply and drive maize and soybean prices upon speculation that shortages might exist. Investors drove the cost of corn to almost $6 per bushel in the futures market, despite the absence of official government estimates at presstime.

— David Frabotta

Continued on page 26
You've got enough to worry about, so use Trinity™ fungicide to control anthracnose, brown patch, take-all patch, summer patch and dollar spot, even during summer stress periods. Use it to suppress algae, too, which can lead to higher turf quality. Like the entire family of BASF fungicides, Trinity works. So don't worry. Everything will be a-ok.

betterturf.com | 800-545-9525

Always read and follow label directions.
Trinity is a trademark of BASF. © 2008 BASF Corporation. All rights reserved.
He Stands A-gas-t!

Fuel prices have superintendent's head spinning when it comes to keeping his maintenance budget. What to do?

By Ron Furlong, Contributing Editor

Pumping gas recently into the family minivan, I passed the $10 level without even noticing, the $20 plateau with a bored and insignificant yawn, the $30 mark without a blink, the $40 figure with only a slight raise of an eyebrow, and then the magical and before not even thinkable half-century mark with a strange, almost bemused kind of deranged look on my face. I know I had this look because I caught a glimpse of it in the reflection from the driver's-side window (scared me a little), and also because my wife rolled the window down and asked what in the heck was wrong with me. She thought I might be having a stroke. The grand total was $56.65. A new record! I was so proud. I can only hope to someday hit the $60 mark! With a little luck I might get there this summer.

Where is this all headed? Higher? Have we peaked? Depends on which expert you listen to and what you choose to read. Some theories are more positive than others about the future of fuel prices, so if you want you can pick and choose and make yourself feel better - or make yourself feel worse, I suppose, if that is your goal. It's kind of like the local weather. There is one channel that is notorious for its positive forecast, while another channel is infamous for its constant negativity. I tend to go for the third channel, which seems to toe each line. Just give me the facts. I can take it.

Of course, we don't need experts to tell us just what these skyrocketing fuel prices are doing to our budgets at work (or at home, for that matter). And of course it doesn't stop with just fuel. Fertilizer prices are up because it costs more to manufacture. In fact, almost anything that has to be trucked to you or that is made with a fuel or an oil-based product has gone up. Sand, gravel, chemicals, seed, oils - nothing is immune.

How do we budget for line items that go up 15 percent to 30 percent? It's been hard enough in recent years with health insurance increasing this much every year, but now to have more traditional golf course maintenance line items affected like...
Sure, you'll have the right to brag about using a rotor that lasted a phenomenal 10 times longer while using up to 23% less water...

...or you could just let the playability of your course and your bottom line do the talking.

The best just got even better...

Introducing the *NEW* Rain Bird® EAGLE™ Rotors.

In head-to-head field and lab testing among leading brands, Rain Bird® EAGLE™ Rotors lasted up to 10 times longer under the harshest operating conditions than the next closest competitor—and—had the best distribution uniformity over the widest range of variables, while using up to 23% less water to deliver a more playable course. For more amazing test results, visit [www.rainbird.com/golf](http://www.rainbird.com/golf).
Continued from page 26

this is almost too much to handle. Even labor costs more because cost of living is rising at a nontraditional level.

So, the magic question is: How do we keep the budget at a level that will be acceptable to the powers that be? Or, perhaps a better magic question: How do we increase the line items for these now suddenly more-expensive things while keeping the budget at an acceptable level?

Sorry, but those were rhetorical questions. I don’t have the answers. In fact, if anyone has the answers please let me know. Let us all know! We’ll put you on the cover of Golfdom and anoint you Superintendent of the Year.

Perhaps the answers lie in cutting budgets and lowering expectations. Perhaps the answers are finding ways to increase revenue and attract more people to the game of golf. But this might be hard to do if we lower standards across the board.

Maybe, and this is more than likely in the neighborhood of being on the right track, the answers will be a combination of the above. Cutting back (slightly) in some areas, which will keep the budget from increasing astronomically, while also finding ways to get more golfers onto the golf course. But this will be tricky. Remember, those people you’re trying to attract to the golf course have to drive their cars, or worse, their gas-guzzling SUVs to the golf course. This will require them to put the precious fuel (why am I reminded of the great 1981 Mel Gibson movie, "The Road Warrior," here?) into their vehicles to drive to your golf course. And filling up on that precious and expensive fuel, which means they will have less money than they did before, will bring into their minds the horrible question: Do I really want to be throwing my money away on golf?

We all better hope their answer is "yes." And it is up to us to make sure the answer is "yes." How do we do this? Anyone? Don’t be shy. Nothing comes to mind? Well, that’s probably because, traditionally, it has not been in the superintendent’s mindset to consider how to attract golfers to the course. We’ve got enough on our plates, right? We put out the great product, and the golfers come to golf. It’s always been so easy. If you build it, they will come. But the playing field has changed a bit. We still have to put out the great product, but maybe we have to do our part to make sure someone is playing on it. There is almost nothing as sad as having the golf course in perfect condition and no one is there to see it or experience it. If a green is rolling perfectly but no one putsts on it, does it make a sound?

So, how do we help attract golfers? I think the most obvious thing for a superintendent is communicating with the local schools in your area and organizing class field trips. Talk to the kids. Not only about golf course maintenance, but golf in general. Get them interested and aware of golf at an early age. Another thing would be to sit in on advertising meetings at your club. Give your input. No one knows the golf course at your facility better than you. Your suggestions in advertising hold as much weight as anyone’s suggestion. But in doing these “recruiting” things, please keep in mind it is not exactly in our job description. We can’t let the golf course suffer by spending too much time trying to populate the golf course. The best way for a golf course superintendent to attract golfers is to provide a great golf course.

The other tool we have in fighting these crazy fuel prices is maneuvering our budgets around so as to spend more money on fuel (we have no choice), but less...Continued on page 30

How do we increase the line items for these now suddenly more-expensive things while keeping the budget at an acceptable level?

Continued from page 26

canola, resulting in fewer acres of turfgrass seed being planted, which could create a supply shortage, says Kevin Turner, director of seed research and production for The Scotts Co. Total bluegrass acres planted are about half of what they were five years ago, Turner says, and fine fescue acres are a tad lower than normal.

“The price of grass seed is going to change,” Turner told growers at the company’s field day in late June. “We’re looking at probably strong price increases in bluegrass and fine fescues, and smaller increases on ryegrasses and tall fescues.”

Incremental price increases in so many products are inhibiting many renovation projects around the country as clubs re-evaluate the timing of renovation and construction projects.

About 41 percent of respondents to a recent online Golfdom survey said they are canceling, postponing or scaling back renovation projects because building materials and construction costs are so expensive. About 22 percent said they are accelerating their construction timeline before costs climb any more, and 38 percent said prices have no effect on what needs to be done around the facility.

Expenses for most renovation materials have escalated 50 percent to 100 percent since 2005, Pinson says, and much of the upward movement has occurred during the past six months.

Most of the cancelled projects involve routine upgrades to greens, tees and bunkers, sources say. Clubs looking for major changes likely have gone through the renovation process out of necessity. But many of them are handling it in a different way.

At Southern Hills Country Club in Tulsa, Okla., General Manager Nick Sedorakis put together a 10-year plan to upgrade facilities. The golf course was scheduled for completion prior to last year’s PGA Championship, but the facelifts for parts of the property were originally slated for several phases. Then costs began to climb in 2005, just as the historic club entrenched itself in the procurement process for the renovation’s multiple phases.

Supplies soared, largely because of demand from emerging economies in China, India and...Continued on page 30

Continued on page 26

Continued on page 30
There's a Better Way to Decide...

We've taken the guesswork out for you. LebanonTurf offers a variety of products to make decisions easier for the Golf Course Superintendent. Whether you experience the power of purple with Expo 20-0-25, the brilliant color of MESA, or two of the top rated bentgrass varieties on the market, you'll have one less decision to make this summer.

- Lebanon Pro 21-0-21 70% SCU SGN 145
- ProScape 20-0-25 Expo - SGN 145
- ProScape 25-0-12 MESA/EXPO SGN 195 SOP
- ProScape 6-1-11 with Biosolid organic and Iron
- Declaration and Independence creeping bentgrass

Don't leave it up to chance! Learn more about these products by contacting your local LebanonTurf distributor, calling 1-800-233-0628, or visiting LebanonTurf.com. Click on promotions and enter coupon code SG2008 for your FREE Agronomy Manual.
Continued from page 28

on a few other things. For instance, we create larger no-mow zones to use less fuel, and in turn reduce labor. We tolerate some weeds in the rough. We use more plant growth regulators throughout the golf course to decrease mowing frequency. Again, this will help mitigate fuel costs and save labor as well. Let's face it: There is no bigger line item in any budget than labor. It is the most gluttonous of all line items, and being able to cut it back will be more cost effective than any other tool you have.

We can no longer rely on some of the traditional methods of golf course maintenance that we were taught. They worked for their time, but they are not going to work in the future. The world is changing. High fuel prices are basically the poster child for change. It's the red flag for all of us to see. But it's only one sign of change.

It is not in and of itself our future, but it is a sign for all of us to recognize that the future is going to be different. This, I think, may not be such a bad thing, in the end.

Driving down the freeway the other day I passed a fuel tanker driving in the slower lane and again I couldn't help but picture Mel Gibson behind the wheel fending off the crazed barbarians determined to steal his precious fuel. The driver gave me a strange look, wondering no doubt why I was staring at his truck. Of course, if you've seen "The Road Warrior" (great cult classic), you know the fuel isn't in the truck anyway. It's hidden in barrels in the buses. Poor Mel. Unbeknownst to him, he was just a decoy. I was tempted to shout to the poor guy driving the semi that the fuel wasn't in the tanker, it was hidden in the buses, but I was afraid he'd misunderstand and squash my Honda Civic like a bug.

Ay yi yi, let's hope this in not our future. But, just in case, you might want to hide a couple barrels of unleaded behind the shop. You never know.

Furlong, superintendent of Avalon Golf Club, can be reached at rfurlong5@gmail.com.