

Tracing Trends in the Golf Industry

Having been involved in golf for many years, I—like many of you—have experienced a great number of cycles in the golf business. As everyone knows, the events of September 11, 2001, triggered a traumatic effect on most of the golf business, more so than the usual recession felt in the 1970s when golf took a couple of step backwards.

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Most recently, we have witnessed a change in the dynamics of golf course development, construction, renovation/restoration and management. In the recent past, there have been a number of golf developments that have attempted to step into a soft golf market, which not only causes them to struggle but also causes the other golf courses within those market areas to suffer as well until additional players stabilize the market. Those additional players may derive from new homes being built or golfers having to travel a greater distance to play a less-busy golf course. Because some of these new golf developments have been less successful, lending institutions have become very wary of lending monies to a golf development with a solid, reputable and complete feasibility study.

This situation also translates to making potential golf course improvements, primarily as it relates to privately owned golf courses and municipal courses that are contemplating major improvements. Market competition has become fierce and will become even greater as the economy tightens with disposable income being diminished. However, without staying current with maintenance standards and improvements in golf course playability with new designs, "stale" golf courses become less played and begin to lose their standing within the marketplace. Major improvements have been undertaken by a number of these golf courses within the Chicagoland area and these facilities will prove to be superior after their completion, especially if they have enlisted the professional involvement of qualified golf course architects and contractors.

Because of a limited budget or a desire to directly oversee modifications to be made on a golf course, some facilities have foregone the traditional method of architect/contractor in consideration of the "design/construct" approach. This method has also been used to help reduce the overall cost by having a qualified superintendent and contractor who work well together formulate the correct plan and budget, then work together in a partnership to achieve the objectives outlined by the owner. Sometimes, the contractor can be the best asset that the owner hires since they can provide some "value engineering" because of their knowledge, experience and ability. Or, as in the case of Chicago Golf Club, facilities have performed the work "in house," purchasing the required material and equipment themselves while using qualified

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employees. As we all know, upper management usually wants the golf course superintendent and general manager to “do more with less.” In some circumstances, a change in the way “managers” approach the situation and handle the changes can spell success or failure.

New golf development has been very slow over the past couple of years and all of us are waiting for an upswing to occur in this part of the market. I have been watching the upper end of the golf market advance further than the mainstream, with many new, upper-end courses being built—such as Bolingbrook Golf Club, The Glen Club and others in the planning, including new three-hole executive-style golf courses as part of residential properties. We have seen this new type of golf course in the Peoria market with Augusta Estates. As part of this gated, 30-lot community of executive-style residences is a three-hole golf course on 15 acres with a par-3 and two par-4 golf holes. This property, as well as others already built or being planned, is a trend that is happening now and will continue into the near future due to decreased land usage and the demand from the upper-end market, as pointed out by Jay Morrish (current president of the American Society of Golf Course Architects).

Our involvement at this new three-hole facility at Augusta Estates started with the golf course architect, site engineer and the owner’s representative. We designed the irrigation system, completed the golf course construction and performed grow-in services. What is strange about this development is that, even in Peoria, Illinois, there is a market that is willing to pay upper six-to-seven-figure prices for homes AND pay the monthly maintenance fees that are almost equal to local private club monthly dues. At this time, the project is going extremely well and will be built out within two years’ time. The owners have at least two other developments in the planning stages in the central Illinois market alone, with a number of others planned in the Southeast and Southwest.

Another innovation within the golf market is the advent of practice facilities that will be made up 100% of artificial turf. These practice facilities will be in specific target markets around the country and each will also include a par-3 golf course as well. These future golf facilities will be associated with travel destinations and high-traffic locations for businessmen who want to practice their game or to entertain while traveling. Based on the improvements in artificial turf in terms of the differentiation of the turfgrasses and playability, this can be achieved on this large of a scale. As you can imagine—questions arise as to what impact this will have on our industry in the long term and whether these advancements will hurt our turfgrass industry? And will the artificial-turf industry endure the negative impacts that the turfgrass industry has with the impression of introducing chemicals into the environment? Advancements in every industry are beneficial but in some circumstances, at what cost?

Despite the economic downturn and any difficult times to come, I do look forward to the next series of challenges in our industry while learning from some of the best golf course superintendents in the country. In having been exposed to almost all areas of the golf business over the

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past 25 years, I can confidently say the most impressive experiences have been with the many talented, resourceful and innovative golf course superintendents in the MAGCS.



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