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GOLF COURSE NEWS

PULL-OUT SECTION
Int'l Golf Course Conference and Show
Pages 37-44

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Mother Nature gets nod

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Blenders a perfect mix

Course construction companies find perfection a necessity in blending soil mix for greens. 14

USGA awards millions in research project grants

By Peter Blais

Pesticide and nutrient fate along with alternative pest management are the primary focus of the 15 research grants the United States Golf Association has decided to fund as part of its most ambitious research effort ever.

Contracts potentially worth a total of almost \$2.8 million over the next three years will soon be offered to 15 colleges and universities, said USGA Green Section National Director Jim Snow.

Some schools are involved in more than one project.

Certain projects, especially those involving pesticide and nutrient fate, will take three years to complete, he added. Some could continue farther into the future.

Requests for bid for another \$300,000 in research money dealing with golf

course benefits will be made this winter. The USGA's Environmental Research Committee will select the successful proposals at its March meeting, Snow said.

The research committee met in early December. "It
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Japanese continue investments

By GCN staff

Landmark Land Co.'s anticipated sale of the bulk of its golf and resort assets for approximately \$739 million is just the latest of dozens of

Japanese golf facility acquisitions in the United States that have put that country's financiers at the forefront of U.S. golf ownership.

According to Mead Ven-

tures, Inc., of Phoenix, Ariz., which provides information on international business, 120 golf course developments totaling about 160 courses in the United States

were owned wholly or partly by Japanese companies or their U.S. subsidiaries before the Landmark purchase.

The Mead total includes
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GROWTH OF COURSE TYPES IN U.S.

Year	Municipal	Daily Fee	Private
1983	2032	5915	5137
1984	2056	5961	5164
1985	2090	5968	5196
1986	2098	6004	5251
1987	2122	6025	5289
1988	2135	6203	5288
1989	2166	6296	5276

See related page 1 story on municipal courses.
Source: NGF

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The River Islands Club course, designed by Arthur Hills, plays on both sides of the French Broad River and on two islands in between. It opens for play this spring. For more information on golf course development see pages 29-33.

Communities finding munis money-makers

By Bob Seligman

A growing number of communities are building municipal golf courses to earn money and provide recreation for their residents.

According to Angelo Palermo, vice president of golf course development for the National Golf Foundation, 125 municipal courses were in planning last Dec. 1, as

opposed to 85 at the end of 1989.

Seventy-two municipal courses were under construction by Dec. 1, 1990, as opposed to 63 at the end of

1989. Thirty-six new municipal courses had opened in 1990 by last Dec. 1, one more than opened in all of 1989.

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Beard urges: Speak out on benefits

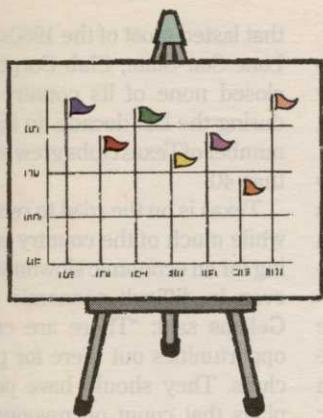
By Peter Blais

Dr. James Beard exhorted superintendents and others at December's Ohio Turfgrass Conference and Show to speak out on the "unfounded" attacks against the turfgrass industry.

Although turf is beneficial in many ways, it is coming under severe pressure at local, state and national levels by special interest groups ranging from tree and ornamental organizations to water conservation interests to anti-

pollution forces. "Trees, shrubs and turf go together," Beard said. "We've got enough problems from other groups without the tree and shrub people coming out against turf. It
Continued on page 48

Briefs



ARVIDA HIRES DEVELOPMENT HEAD

SAN CLEMENTE, Calif. — Glen Allen, hired as vice president of Arvida's California commercial development division, will oversee a planned community project here anchored by 36 holes of golf designed by Arnold Palmer.

A 150-acre town center and business park are planned as part of a 3,500-acre community called Talega.

BILTMORE OVERSEEING PROJECT

SCOTTSDALE, Ariz. — A \$150-million facility featuring a Tom Weiskopf/Jay Morrish 18-hole championship golf course soon will be constructed in the north end of the city.

California-based Biltmore Hotel Co. will oversee all club operations for Estancia Corp. These include a tennis facility directed by former Davis Cup star Marty Reissen, health club and spa, swimming center and private accommodations for members.

ASSOCIATION CHANGES NAME

CHARLESTON, S.C. — The National Golf Course Owners Association is the new name of the Golf Course Association.

Explaining the reason for the name change, Executive Director Mike Hughes said, "The association is truly national in scope and solely interested in assisting owners and operators of profit-oriented golf courses."

In the last six months, member courses have doubled to more than 600.

The association has incorporated all members of the Pennsylvania Golf Course Owners as affiliate members, and Golf Properties Association has merged into the Golf Course Association.

ZMISTOWSKI DESIGN CITED

BOULDER, Colo. — Golf clubhouse architectural firm William Zmistowski Associates received a 1990 Merit Award from the Colorado section of the American Institute of Architects for The Golf Club of Oklahoma's clubhouse in Tulsa, Okla.

Zmistowski previously received an AIA Western Mountain Region Award of Honor for design excellence for Desert Highlands Golf Club in Scottsdale, Ariz., and an Award of Design Excellence from the Arizona Society of the Institute of Architects for Desert Highlands GC clubhouse interiors.

The Golf Club of Oklahoma has a 27,000-square-foot native stone and shingle clubhouse to complement its Tom Fazio-designed golf course.

STONECREEK MAKES MOVES

PHOENIX — Stonecreek, The Golf Club, has named Rick Williams head golf professional and Catherine Curry director of sales.

Williams, previously head professional at Arizona Country Club here, was chosen to oversee golf operations and services because of his extensive knowledge and experience in the Arizona golf industry.

Recession presents opportunities

Private clubs should not be afraid, says Club Corp. America vice president

By Peter Blais

A recession like the one most of the country is experiencing can be a time of opportunity for private golf clubs if managers listen and respond to their members.

"Don't run scared," advised Jerry Gelinis, vice president of marketing with Club Corporation of America, which operates 200 private clubs nationwide.

"Opportunities are out there. If you take advantage of them, you will have a better club. In good times, clubs tend to relax. In a recession, you have to be targeted."

At the center of the target is the club member. Private clubs have a big advantage over public facilities when it comes to membership. Most private club members are financially secure. They are better able to weather an economic downturn and keep their memberships than are their public club counterparts, Gelinis said.

"You're not dealing with a member who can't afford your club, even in tough times," he added.

But you are dealing with a member who has priorities. If a club is not meeting his

needs, he'll go elsewhere.

"The question is 'How do you make your club more valuable so he'll give your club a higher priority?'" Gelinis said. More on that later.

Recessions are generally not broad-based. Some people will be hurt during an economic slowdown, while others will be unaffected, or even prosper.

"For a manager to understand how economic conditions in his area will affect his club, he must know certain things, like what

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Japanese continue U.S. buying spree

Continued from page 1

primarily courses that have already been built. Ninety-three were complete, 14 under construction and 15 in planning stages at the end of 1990.

Christopher Mead, who has been tracking the transactions, said there are probably many more Japanese-owned courses in the United States, "some of them bought under U.S. corporate names and others purchased under Japanese names but not known to Mead Ventures or the executives and industry experts we consulted."

In a 180-page report released in mid-January, Mead said Japanese companies own less than 2 percent of the country's 14,000 courses. But, he said, because they own such "trophy courses" as Pebble Beach in California and Grand Cypress Resort in Florida, the market value of Japanese-owned courses may comprise as much as four or five percent. Cosmo World paid around \$800 million for the Pebble Beach complex alone.

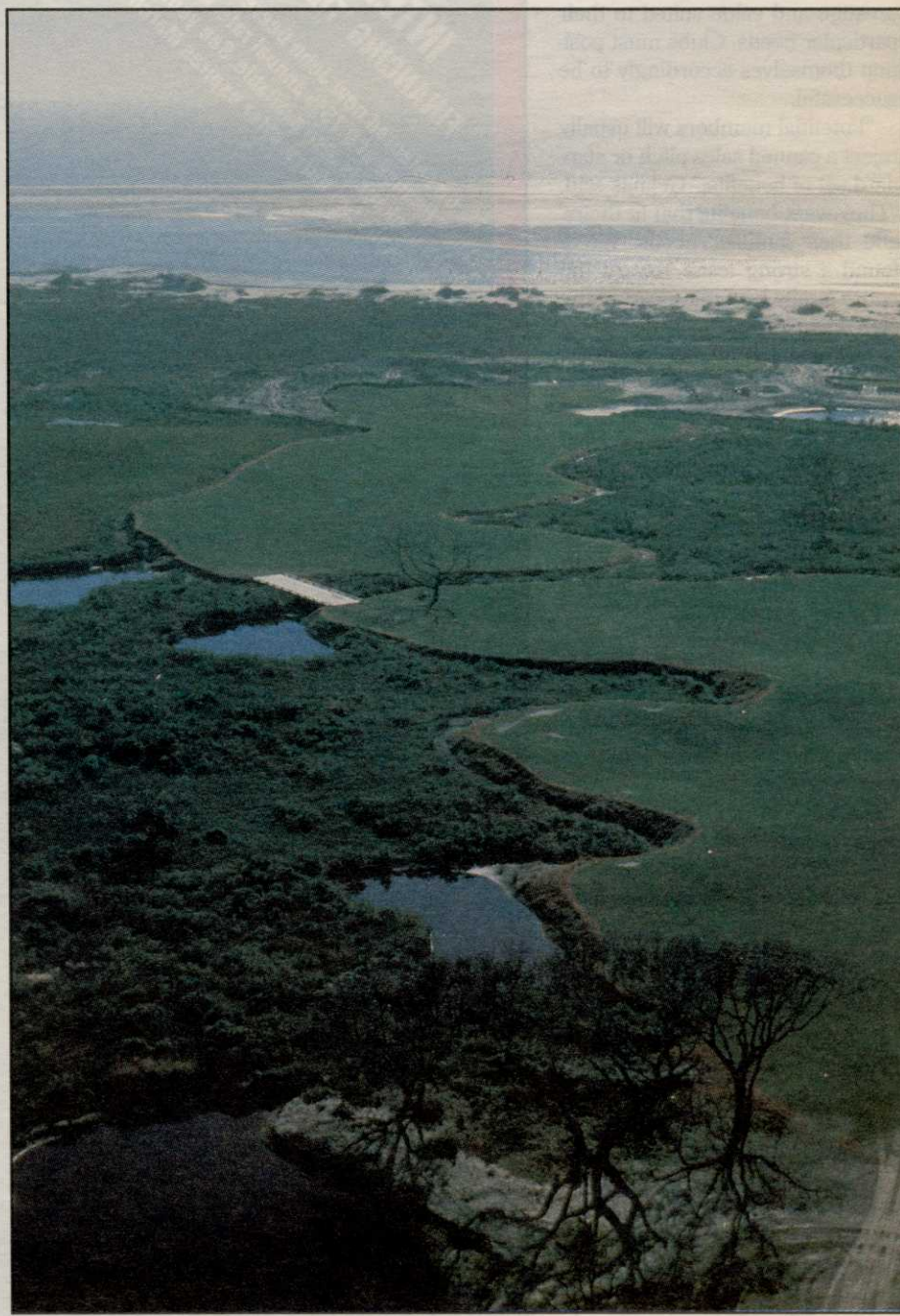
Mead predicted Japanese firms would own between 500 and 1,000 U.S. courses by the year 2000. He added that although that is still a small percentage of total U.S. ownership, it is "a major portion of the newer and trophy courses and of those not only in Hawaii but also in California, Oregon, Washington, Arizona and certain other states."

Japanese firms own nearly all Hawaii's non-public courses — 37 or 38 in all. "With no more courses left to buy (in Hawaii), Japanese have been forced to build, and they appear to be doing so with surprising speed," Mead reports.

He said in his report that most of the 40 or more courses planned or under construction on the Big Island of Hawaii, Oahu and Maui, are being built with Japanese funds or with the expectation of a sale to Japanese buyers.

Meanwhile, Mead said Japanese own at least 32 courses in California, eight in Texas, seven in Oregon, six in both Arizona and Georgia, five in New York, four in Florida, three each in Nevada, North Carolina and

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Pete Dye's new Ocean Course on Kiawah Island is one of the golf properties involved in the joint venture purchase deal between Daiichi Real Estate Co., Ltd., of Tokyo and Landmark Land Co. officials.

Landmark, Daiichi put \$739 million deal in works

CARMEL, Calif. — Daiichi Real Estate Co., Ltd. of Tokyo, Japan, in joint venture with senior management personnel of locally-based Landmark Land Company, Inc., and international Pacific Rim and European investors have plunged heavily into the United States golf course market.

Golf course and resort areas on both coasts, plus Oak Tree Golf and Country Club, Edmond, Okla., will be bought for \$739 mil-

lion.

Closing date for the first phase of the transaction is March 31. If options are fully exercised, Landmark would receive an additional \$106, then \$92 million.

Golf courses include three rated among the top 100 in the world.

Properties are spread among such Landmark developments as Kiawah Island, South Carolina; Palm Beach, Fla., Polo & Country

Club, and California courses Carmel Valley Ranch, Moreno Valley, PGAWEST, LaQuinta, Oak Valley and Mission Hills in Rancho Mirage.

Gerald G. Barton, Ernest O. Vossler and Joe W. Walser, Jr., of Landmark will be new team members.

The transaction is subject to approval by shareholders and the Office of Thrift Supervision.

Club Corp. of America starts capital expansion

DALLAS—Club Corporation of America has started a major expansion push by buying its first two properties with its newly funded \$50 million of expansion capital.

CCA paid an undisclosed amount of cash for The Club at Cimarron in McAllen, Texas, and the Club at Mission Dorado in Odessa, Texas — both held by First City Texas Bank in Houston.

CCA is considering five other acquisitions. It expects to use the funding, with some debt, to add 12 to 15 golf properties to its operations over the next six to 12 months.

"CCA has commitments for ap-

proximately \$50 million worth of equity funding from internal and external sources to be used primarily for all-cash acquisitions of existing, profitable country clubs and public fee golf courses," said Randy Williams, executive vice president of business development. "And up to 20 percent of the funding may be used for to-be-developed golf operations."

The Club at Cimarron is part of an 800-acre planned community that opened in 1982.

CCA's purchase encompasses approximately 204 acres of the community, which includes a

34,000-square-foot clubhouse, 18-hole golf course, pro shop, racquetball center, six outdoor lighted tennis courts and Olympic-sized pool. The club has about 1,100 members.

The Club at Mission Dorado is located within the 2,000-acre Mission Dorado Master Planned Community.

CCA bought the 32,000-square-foot clubhouse, pro shop, 18-hole golf course, tennis and swim center, which make up approximately 290 acres of the development. There are approximately 800 members at Mission Dorado.

Myrtle Beach National and Litchfield strike a deal

MYRTLE BEACH, S.C. — Myrtle Beach National Golf Club, Inc. struck what officials called "a natural business match" when it finalized an agreement to buy four Waccamaw Neck resort properties from The Litchfield Co. of South Carolina, LP and Litchfield Golf Co., Inc.

The properties are the 18-hole River Club, 18-hole Willbrook Plantation Golf Club, 96-suite Waccamaw House, and Litchfield Country Club, with an 18-hole course and 19-court racquet club. The sale does not include various Litchfield By The Sea real-estate de-

velopments owned by The Litchfield Co. and Litchfield Golf Co.

"The combination of Myrtle Beach National's extensive golfing resources and our offering of quality real-estate properties is a natural business match," said Russ Campbell, executive vice president and general manager of The Litchfield Co. "We look forward to joining marketing and promotion forces with Myrtle Beach National."

Myrtle Beach National has been operating the Litchfield properties since Sept. 19 when a purchase agreement was signed. The operating company is Litchfield National Co.

Japanese

Continued from page 57

Washington, two in South Carolina and one each in Colorado, Illinois and Mississippi.

Donald Wizeman, president of Dai-ichi Corp. in Myrtle Beach, S.C., said his company is negotiating on behalf of Japanese buyers for purchase of 50 courses in the Southeast.

This trend of Japanese investments is a creature of the last six years. With increased spending power and foreign "bargains," their real-estate spending in the United States soared from \$1.86 billion in 1985 to \$7.53 billion in 1986, \$12.77 billion in 1987 and \$16.54 billion in 1988, according to Kenneth Leventhal & Co. Purchases dropped off to \$14.77 billion in 1989, with a further 20-percent drop anticipated last year.

While real-estate investment was tapering off the last two years, golf course buys increased, emerging as "one of the most promising aspects of their investment activity in the U.S.," Mead said. "In this period, companies began to search for investments that made sense not merely from the standpoint of currency benefits or long-term capital gains, but from an income or short-term gain perspective. Golf courses and the resorts that included them often fit the new requirements. Moreover, Japanese frequently had a substantial edge over rival American bidders for golf course properties."

Mead said that while Japanese real-estate investments may decline again this year, over the long run most experts expect them to be an important force in U.S. real estate.

"Moreover, certain types of investment remained very strong in 1990, such as direct investment by Japanese manufacturers. (This is not classified as real-estate investment.) Golf course investment, too, rose substantially from the level of 1989," he said.

Saying factors indicate that Japanese interest in golfing abroad is "far from its peak," Mead cited figures showing that Japanese have per-capita incomes of about \$43,000 compared to Americans' \$20,000; they spend \$586 a day while traveling compared to Americans' \$149; and more are traveling abroad each year — increasing from 5.5 million in 1986 to a projected 10 million this year — many to play golf.

People interested in obtaining the Mead Ventures report may call 800-669-6323.

He gave our 1200 the test we couldn't

We couldn't go out and build 27 golf holes to test the durability of our 1200 Bunker and Field Rake. That's why we went to talk to John McWhite. Because that's exactly what McWhite did at the Buck Creek Golf Plantation near Myrtle Beach, South Carolina.

"The 1200 has been unbelievable," says McWhite. "I first looked at it wondering if it could even handle an 8-foot drag. We found it worked so well that we wound up shaping much of the course with it before we were through.



The 1200's mechanical transmission and ability to carry a blade, cultivator and rake at the same time make it well-suited for both construction and bunker work.

"I used the 1200 to float all 27 greens. I rough shaped them with a bulldozer and then went immediately to the 1200. It stood up to a tremendous amount of work and punishment.

"Nothing has the power or versatility of the 1200. You can use three implements at the same time with a blade in front, scarifier in the

middle and rake in the rear. A hydrostatic machine simply can't do what the 1200 can here.

"I've used the 1200 to move soil, prepare seedbeds, dig up roots, spread sand, smooth bunkers, and pull aerators. I still don't know what its limits are. I've never even seen its belt slip!"

For the name of your nearest distributor, or free literature on John Deere's Golf and Turf Equipment, call 1-800-544-2122 toll free or write John Deere, Dept. 956, Moline, IL 61265. Like John McWhite, we know you're going to like what you see.



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