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Ryegrass Update
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INSIDE

Photo by Pat O'Connor, Colorado DOW

MAKE WAY FOR GOSLINGS

Colorado Division of Wildlife workers round up geese on a golf course to transport out of state. See story on page 13.

GCSAA to conduct exclusive research

Withdraws funding slated for USGA

By MARK LESLIE

The Golf Course Superintendents Association of America has withdrawn financial support from United States Golf Association research program to launch research projects of its own.

The move was met with awe by some in the industry, but drew support from the USGA itself.

Jim Snow, national director of the USGA Green Section, said: "The GCSAA couldn't do its research without withdrawing funding from our program. They didn't pull out leaving us in the lurch... It wasn't a total surprise to me. They've expressed interest in doing some of these things for some time."

Saying that "in the end it won't affect what we do," Snow added: "In reality, more work will get done. I'm anxious to see the results of their work. We need all the information we can get."

USGA President Stuart Bloch said that although he did not like losing the funding, "I think it will work out

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THE HEAVY-HANDED APPROACH?

A maintenance crewman at Burning Tree Country Club in Greenwich, Conn., takes a jackhammer to the 15th green. Why? Turn to page 54 for answers in this month's edition of On the Green.

Environmental liability at issue on finance front

By PETER BLAIS

Fleet Financial Group Inc. recently became the first major bank in the country to require nearly **all** major commercial real estate lenders to obtain environmental liability insurance before getting a loan, a move likely to be followed by other financial institutions that could add thousands of dollars to the cost of a golf course development.

The Providence, R.I.-based firm instituted the new policy for any loan of $1 million or more to protect the bank from having to clean up pollution on foreclosed properties.

The bank estimates a standard, $2 million policy will cost $10,000 to $15,000 with a $10,000 deductible for three years of coverage. After the initial period, the policy must be renewed annually as long as the loan is in effect.

Lenders have required such insurance on occasional golf projects in the

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Ransomes America working to sort out consumer confusion

'Our goal is to have a corporate brand identity by the 1993 GCSAA Show in Anaheim.'
— Irv Aal, president Ransomes America

By HAL PHILLIPS

MINNEAPOLIS—Different names, different colors, different sets of distributors, different directions.

Cushman Inc., Steiner Turf Equipment and Brouwer Turf Equipment have all come under the Ransomes America Corp. umbrella since 1988. Not surprisingly, the last four years have brought a measure of consumer confusion in terms of name recognition and distribution logistics.

Yet when members of the golf course industry meet in Anaheim this winter, Ransomes hopes to

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Course owners explore the intricacies of group buying

By HAL PHILLIPS

The National Golf Course Owners Association (NGCOA) is implementing a cost-saving measure that management companies have employed for some time: Group purchasing.

Buying in bulk can save thousands of dollars in a single fiscal year, provided the management firm or association has enough member clubs to make the volume purchase worth executing.

However, the single biggest obstacle to group purchasing may be good ol'

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The ups & downs of regional buying

Somewhere between group and individual buying lies the purchasing hybrid of regional buying.

Management companies with a geographic concentration of courses have for years purchased chemicals on a regional basis. The same goes for sand and top-dressing—any maintenance need nearby courses might have in common.

If enough courses share needs, and the distance isn't too great, regional buying makes sense.

And with the advent of technology like the Hydroject and Verti-Drain, management firms have seen fit to buy one or two per region. The different courses can then schedule usage on a communal basis.

However, there are pitfalls.

"One of the dangers with this regional idea is you start getting into the trucking business," said Mike Heacock of American Golf Corp. "If you share too much, you need a fleet of trucks to keep up. We don't want to be in the trucking business — we're in the golf business.

"But it can save you a lot of money. Not every course needs its own Verti-Drain."

Course owners explore intricacies of group purchasing

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fashioned independence.

"Superintendents and club managers aren't used to being told what to buy," according to Mike Heacock, who administers centralized purchasing for American Golf Corp. "But it doesn't make sense for our 36 courses in Southern California to use different sand. So you've got to get everybody in a room and hash it out.

"This is why golf course superintendents associations aren't purchasing organizations. People can decide they don't want to spend as much this year, then someone else backs out and the deal is dead. What are you going to do? Sue them?"

The NGCOA recently entered into a partnership with Truck Centers, Inc., whereby NGCOA members can purchase GMC vehicles at a savings of 2 to 7 percent, depending on the option package. The NGCOA and its 1,1125 members have also arranged for volume deals with U.S. Sprint and Alamo rental cars.

Negotiations are underway on purchasing the following products in bulk: golf cars, maintenance equipment, golf course chemicals and uniforms. The job of negotiation falls to NGCOA Executive Director Mike Hughes.

"Because of our size, we've been received well by manufacturers," said Hughes. "What we've tried to do is concentrate on the 10 or 15 items that are most significant on the expense side of the ledger. But we've really just started."

'It takes a long time to make these agreements work. It also takes time to convince people in your own company it's the right thing to do.'

— Mike Heacock, American Golf Corp.

It's a long process, according to management company executives. Kemper Management, for example, didn't begin concentrating on group buying until three years ago — and the strategy is still evolving.

"We certainly haven't been doing it since day one," explained Steve Lesnick, president and CEO at Kemper. "You have to be a certain size to make it worthwhile. We're large enough now (14 clubs nationwide) that we can get the type of buying power that a group buyer can realize."

Further, added Heacock, "It's not an easy deal. Everybody wants to do it, but the mechanics are very difficult. There are potential savings out there, but you have to manage it.

"It takes a long time to make these agreements work. It also takes time to convince people in your own company it's the right thing to do. Another problem is that local management maintains the responsibility. They're the ones that have to make it work — yet they're also the ones whose decision-making responsibilities have been curtailed."

Heacock is quick to point out the potential hazards, but there's no denying the savings. At one point, American Golf had been using 26 different kinds of paper cups, "Which is crazy," said Heacock.

AGC had been buying rakes on a local basis. Now the firm buys them centrally for its 136 courses in 23 states — at a savings of 15 to 20 percent, according to Heacock.

Kemper buys its chemical and heavier equipment in bulk, as does AGC. In fact, American Golf has entered into several long-term exclusive contracts for golf cars, mowers and seed.

The value of such a deal is not so much the price savings. The real value lies in allowing companies like AGC and Kemper — no longer hostage to distributors — to deal directly with factories.

"This allows us to go way beyond price," Heacock explained. "It comes down to a question of 'How does, say, Toro support American Golf?' and *vice versa.*"