

BRIEFS



LEGG MASON PROMOTES WELLS

BALTIMORE — Legg Mason Realty Group Inc. has promoted David Wells to senior associate with its Consulting Services Division. Wells is responsible for LMRG's golf course and recreational consulting practice focusing on the eastern United States. His golf course assignments include the Baltimore County Golf Course Master Plan and the sale of Oak Terrace Country Club in Montgomery, Pa.



David Wells

CCA TO MANAGE COLUMBIA LAKES

WEST COLUMBIA, Texas — Club Corporation of America's Columbia Lakes Management Corp. has been tapped to manage Columbia Lakes Resort, Conference Center and Country Club, a 2,000-acre residential country club community 55 miles south of Houston. The CCA subsidiary will oversee all club operations and membership development for Columbia Lakes as well as promote the resort and conference facilities to regional and national markets.

HAMILTON MILL TABS MARTTY

ATLANTA — Martty Golf Management has signed on to manage the new Gene Bates/Fred Couples-designed golf course nearing completion at Hamilton Mill, a new home town located in Gwinnett County outside Atlanta. The daily-fee course will provide special privileges and fees to Hamilton Mill residents. In addition to ongoing management, MGM will provide guidance in the final construction phase of the course and clubhouse.

PALMER HIRES DEVELOPMENT VP

ORLANDO, Fla. — Bill Hunscher has been appointed vice president of corporate development for Arnold Palmer Golf Management Co. He was formerly vice president of The Blackstone Group, an investment banking firm in New York, and worked in the mergers and acquisitions department at Lehman Brothers.

PERKINS STEPS IN AT FLA COURSE

OCALA, Fla. — GolfCorp has named PGA Master Professional Kevin Perkins general manager of The Country Club at Silver Springs Shores. Prior to relocating to Ocala, Perkins was head pro at GolfCorp's Paradise Valley Golf Course in Fairfield, Calif.

GOLF COURSE NEWS

LinksCorp sets sights on Midwest, S'east

Chicago firm to acquire five courses annually

By PETER BLAIS

The recent acquisition of 18-hole layouts in Arkansas and Tennessee brings to 10 the number of courses under the LinksCorp management umbrella and moves the aggressive, Chicago-based firm closer to its goal of operating 25 facilities within three years.

"We plan to acquire another two or three courses by the end of the year," said company President and Chief Executive Officer Ben Blake. "We're looking at courses in the \$2 million-to-\$5 million range throughout the Midwest and Southeast."

Mountain Ranch Golf Club (GC) located in the Ozark foothills 80 miles north of Little Rock, Ark., and Stonehenge GC in Tennessee's Smoky Mountains between Nashville and Knoxville fit the LinksCorp acquisition bill. The management firm purchased them from Fairfield Communities Inc. of Little Rock, Ark., late this summer.

"We may see something as a great deal that others don't. And vice-versa," said Blake, adding that the top 10 management companies control just 3 percent of the nation's courses.

"There are plenty of courses still available. And we're all looking for different types of properties. A KSL is looking for high-end resorts. A ClubCorp wants private courses. Cobblestone seems to be concentrating on California. And we're here in the Midwest and Southeast."

In addition to its two recent purchases, LinksCorp owns and manages Mississippi National GC in Biloxi; Glenlakes

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Stonehenge Golf Club in Tennessee, a recent LinksCorp acquisition



Student and instructor use new CaddyVision video-instruction product

MARKETING IDEA OF THE MONTH

Big profits, little risk promised

By PETER BLAIS

For the golfer, it could be educational, painful, reassuring.

For the range and/or course operator, it could be profitable, profitable, profitable.

DistanceCaddy Co. of Fort Collins, Colo., recently introduced a fixed-position, self-service video vending machine that allows golfers to tape their swing from two different angles. The cost is \$10.

(A single-angle system is also available for \$5.)

The \$10 bill is placed into the full-color CaddyVision video unit along with a tape supplied at no cost by the range or course.

After 20 minutes, the tape ejects. Golf-

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Canadian firm submits winning bid for Oak Tree Country Club

By PETER BLAIS

EDMOND, Okla. — Differences among rival bidders have been settled and the sales of Oak Tree Country Club and Oak Tree Golf Club should close by the end of the year, according to a Resolution Trust Corp. official.

U.S. District Court Judge Falcon Hawkins of Charleston, S.C., was scheduled to hear the bid proposals for the two former Landmark Land Co. properties on Sept. 20, according to the RTC's Felicia Neuringer.

If Hawkins approves the arrangements, the RTC and winning bidders have 60 days to close the deals on the Pete Dye-

designed layouts and amenities.

Neuringer said a local, membership-favored group, Golf Club Preservation Group (GCPG), was the winning bidder for the Oak Tree Golf Club, site of the 1988 PGA Championship.

Bankruptcy court rules, she said, forbid her from disclosing the name of the winning bidder for the Oak Tree Country Club, which includes two 18-hole courses, 70,000-square-foot clubhouse, swimming pools, tennis center and housing lots.

But the Edmond *Evening Sun* reported that Signature Properties Inc. of Toronto was the successful bidder for the Oak Tree Country Club at \$20 million. That

was also the RTC's Derived Investment Value (DIV) for the property.

Signature reportedly had planned to protest the sale of Oak Tree Golf Club to GCPG. They resolved their differences and agreed to cooperate in the operation of the two facilities, meaning the bankruptcy court will likely approve Signature's bid for the Country Club and GCPG's \$3.5 million offer for the Golf Club.

[The RTC valued Oak Tree Golf Club, which includes just the golf course, at \$4 million.]

"We think we had a strong legal posi-

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CMAA Chicago Chapter hosts seminar

CHICAGO — The Club Managers Association of America (CMAA) and the Greater Chicago Chapter will host the Chicago National Regional Workshop here at The Palmer House, Nov. 6-8. During the three-day workshop, club managers will hear from industry experts and examine a variety of topics that are critical to running a successful club operation.

Issues addressed in this workshop include member service and satisfaction, budgets and current tax regulations, golf course maintenance procedures and membership and marketing strategy.

Featured speakers include Susan Clarke, an expert in customer service; Rick Coyne, president of Club Mark, a membership marketing and strategic-planning company; David Fearis, a certified golf course superintendent and board member at the Golf Course Superintendents Association of America; Jack Mackey, a trainer, consultant and director of National Seminars' Business Training and Development Services; and William Wernersback, partner with the CPA firm of McGladrey & Pullen.

For more information, contact the CMAA at 703-739-9500.

Operations focus of new CMAA manual

ALEXANDRIA, Va. — The Club Managers Association of America has released its new Club Operations Manual, a compilation of the best written material on maintaining proper club operations.

One of the most significant components is the Operational Audit. Envisioned as the first part of a three-phase strategic planning tool, it provides a checklist model for an efficiently run club. Covered items include accounting, payroll/personnel, golf

department, fitness and spa, racquet sports, food and beverage, membership marketing, physical plant, maintenance and risk management.

The Club Operations Manual also includes model procedures for such things as club organization, crisis communication plans, Americans with Disabilities Act awareness policies, salary administration and security procedures. The manual is available in WordPerfect 5.1. For more information contact 703-739-9500.

RTC auctions

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-cry auction, American Golf Corp., went head-to-head with Pennsylvania businessman Benjamin Goldman for several minutes. But AGC soon folded, leaving Goldman with the courses and Woolfon shaking his head.

"The big golf buyers are just tired of jumping through all the RTC hoops," said Woolfon, noting that AGC executive Gail Goodrich spent six months and thousands of dollars researching Palm Aire and Oaks Golf & Racquet.

"The cost of the due diligence process and the time involved in researching and putting together a bid are too much for many management companies. They feel there are a lot of other courses out there that are available with a lot less hassle."

Bob Husband, president of San Diego-based Cobblestone, said his company has avoided RTC auctions because of the up-front research costs and the emotional nature of a bidding process that often leads to a buyer paying too much for a property.

"There always seem to be people who don't know the golf industry well enough to know what it is they are buying," he said. "They agree to terms that a disciplined buyer wouldn't accept."

"If you pay too-high of a price you usually have to adopt cost-cutting measures that hurt the course. I don't blame the RTC for putting courses up at an outcry auction and getting the highest price it can. That's its job. But buyers who pay too much for a course have stars in their eyes. Golf operations must be driven by profit potential."

Husband said a sealed-bid process rather than an outcry auction not only makes it easier on those interested in buying a golf property, but could also attract more bidders.

But even the sealed-bid prices on RTC-handled properties have gotten out of hand, said ClubCorp Executive Vice President Randy Williams, whose firm recently made a run at Oak Tree Country Club in Edmond, Okla.

"That was unbelievable," Williams said

The big golf buyers are just tired of jumping through all the RTC hoops.'

— Jeff Woolfon
CB Commercial

of the winning \$20 million bid. "We just didn't feel it would have been fiscally responsible to even come close to matching that."

Woolfon agreed auctions may scare away bidders. But, he added, the RTC is simply following marching orders it received from Congress requiring that everyone get a chance to bid in a way that theoretically should deliver the highest price.

"For the RTC, the process is as important as the price," he said.

James Peterson, executive vice president of the real estate investing firm Kennedy-Wilson International, defended the auction process, claiming it attracts appropriate bidders and that prices are rarely out of line with the course's profit potential.

"We assisted RTC with the original round of Landmark Land Co. properties — PGA West, LaQuinta, Mission Hills, Carmel Valley Ranch, Kiawah Island and Palm Beach Polo," Peterson said.

"I'd say the major players were all involved there."

"The high-profile nature of those properties won't be duplicated. There's nothing else like that. With the second round of RTC properties you're seeing more sealed bids. Investors will look at the various properties and make their decisions accordingly."

As for Palm Aire and Oaks Golf & Racquet, Peterson said: "I'm not familiar with that auction, but I think the physical asset's location drove the cost and the number of bidders."

Added RTC spokeswoman Felicia Neuringer: "If potential buyers are staying away, I'm not aware of it. We're getting good bids and good turnouts. If someone wants to participate the opportunity is there."

LinksCorp

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GC in Foley, Ala.; Tamarack GC in Chicago; Lakeside GC in Atlanta; Temple Hills GC in Nashville; Rockwood GC in Kansas City, Mo.; Castlewoods Country Club in Jackson, Miss.; and Rickenbacker GC in Columbus, Ohio.

"We're strictly interested in an ownership situation, although we might consider a long-term lease," Blake said. "Management contracts simply aren't profitable enough."

LinksCorp was founded in late 1991 to purchase and operate what it terms "under-managed properties." Funded by \$6 million in venture capital and another \$3 million pledged by the original investors, LinksCorp is seeking an additional \$4 million to \$6 million to bolster its equity position. GATX has also provided debt financing. The company expects to be profitable in 1994.

LinksCorp's executive team has extensive course management experience, Blake was formerly executive vice

president of Kemper Sports Management. Chief Financial Officer David Flickwir held the same title with American Golf Corp.

Director of Agronomy Bobby Miller was formerly head superintendent at Harbour Town Golf Links on Hilton Head Island, S.C., and director of course maintenance for Stokes-O'Steen, an operator of six Florida courses.

"Bobby oversees course budgeting, capital improvements, construction and troubleshooting," Blake explained. "He's our quality-control person."

LinksCorp utilizes the general manager concept at each facility, with the superintendent, head pro and clubhouse manager answering to a general manager.

The company rarely dismisses the existing staff when it takes over a golf course, according to Blake.

"We generally make very few changes the first two or three months," the CEO explained. "Often, the existing staff has done a pretty good job. It's ownership decisions that have caused the course to under-perform. The staff can do quite well with a change of ownership and management."

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GOLF COURSE SEMINARS

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For attendee or exhibitor information call
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