# Course owners must cooperate to survive & thrive

By MIKE TINKEY

Are you interested in an effective formula to improve your bottom line?

Golf course owners and operators are making a significant positive impact to

their bottom line working together in cooperative marketing, purchasing, research and governmental and regulatory affairs. Also, cooperative communication is building strong and effective bridges to decision-makers in the public and private sectors that are yielding additional positive results.



Mike Tinkey

"Working with others doesn't necessarily mean you don't compete," he says. "When you make the golf industry successful you have a better chance to be successful yourself."

He is proud to being one of the original organizers of the Myrtle Beach Golf Holiday, which is widely considered to be the largest and most effective golf marketing group in the country today. The Myrtle Beach cooperative effort attracts more than 2.5 million golf rounds a year and the number of courses in the area has grown from one in 1960 to more than 100 by 1997.

Each tax dollar spent on golf advertising produces \$74 in spending by golfers. Working together, owners have realized group health insurance savings of 18 percent per employee with increased benefits. These are examples of cooperative efforts in South Carolina.

Mike Hughes, the Executive Director of the National Golf Course Owners Association, noted that "the answer to how a small state like South Carolina can become a golf powerhouse, lies in

Mike Tinkey has more than 20 years of experience in the resort, club and hospitality business. He is director of the NGCOA Smart Buy Program and president of Sports Management & Marketing Services, a consulting company specializing in golf and tennis resort and club operations.

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Last, but certainly not least, Mr. McLoughlin suggests a national certification program for golf consultants. As we in the appraisal profession have learned all too well, more governmental intervention is not the answer. The answer is finding the right people and giving them the necessary tools to perform their job. These services require experience, independence, and objectivity. The best consultants will not "rubber stamp" a project and the smartest will not seek that rubber stamp. If this is done, the experienced people will become more easily identified and the industry will benefit as a result with better projects coming from better planning.

Laurence Hirsh, president Golf Property Analysts Harrisburg, Pa. two words: mutual cooperation.

"Joint efforts have resulted in tens of thousands of added rounds, a positive environmental image, a common voice to defeat poorly researched legislation

and regulations, effective purchasing programs and research on operations. Of course, the success of Myrtle Beach is legendary, all because they have worked together."

Examples abound and new projects are increasing rapidly due to word of mouth and the

facilitating efforts of organizations such as the NGCOA, regional, state and local groups of course owners. Examples of other marketing successes are the business development efforts of other destinations such as Pinehurst, Hilton Head, Jacksonville, the Great Smoky Mountains, Ocean City. Organizing is taking place in Wisconsin, Phoenix/Scottsdale, the Monterey Peninsula, Atlantic City, the Gulf Coast of Mississippi, and more.

A number of these areas are actively seeking to implement electronic tee time reservation systems. Also, state owners' efforts in Florida, Ohio and South Carolina have been successful in defeating proposed new taxes, implementing workers' compensation programs and public awareness campaigns of the economic impact of

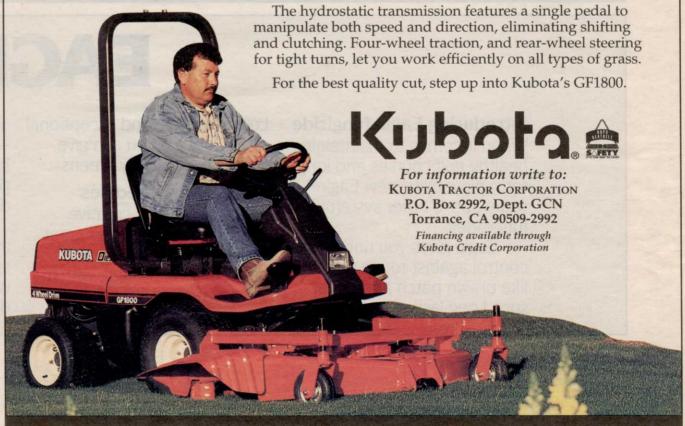
golf operations to a state's economy.

On a local level for example, Hank Johnson, executive director or the Lowcountry Golf Course Owners Association (Hilton Head and surrounding areas), has been actively involved in representing owners' interests with regard to noise ordinances, wetlands legislation, water resource allocation, international marketing and purchasing.

Whether you are working cooperatively to book more golf business further in advance for an improved yield per round, or purchase goods and services smarter for your facility, or gather information to assist you in running your operation more efficiently, a systematic approach is essential. Important ingredients include

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Ocean Course Purchase Agreements or otherwise, directly or indirectly, with any other person, entity or qualified organization participating in the auction, TOC agrees to grant ASNY \$150,000 to enable ASNY to complete the [environmental] study...

The agreement, which included another \$100,000 to ASNY at the end of its study, was signed by ASNY President Ron Dodson and TOC Vice President Daniel M. McCormack on Sept. 9, 1993.

Of course, that promise of \$250,000 bit the dust with the other commitments. But ASNY personnel don't wish to work with people who have shunned, and some would say "used" them. (The first bid had to include an environmental group and VIT courted ASNY to join in the process.)

Ah, commitment. They say lack of it is a reason for the high divorce rate nowadays. Who would have thought inhabitants of Golf Nation would witness it in their own family?

Meanwhile, some may have been shocked at the seeming complicity of the government in this matter. The Resolution Trust Corp., which was such a stickler for involving environmental organizations in the original auction of the Ocean Course, apparently went into an environmental fog during the second sale. The RTC essentially trashed the original sale — to the partnership of the New York Audubon and VIT - because neither would agree to a unilateral RTC provision allowing other environmental organizations to get involved, if they disagreed with how the Ocean Course was being managed.

But in the second auction, the RTC's agreement contains absolutely no language regarding environmental management of the course.

Spokesman Mike Fulwider simply stated that, under the Coastal Barrier Improvement Act, the RTC was obligated to market the property to environmental groups only the first 90 days (two years ago). Although several groups besides the New York Audubon had stated an interest, RTC took the position that it had fulfilled its commitment, Fulwider said. "Therefore, we were free to market it to the general public... Our primary concern is meeting our statutory responsibilities and recovering as much as for the taxpayers as we can in the sale of that property."

People in the golf industry, especially in recent years, have promoted awareness that they are the true environmentalists - the ones enhancing wildlife habitat hands-on.

One entity alone can now threaten all that goodwill.

Who cares if the RTC gets another black eye in this bankruptcy mess which was arguably caused by the government itself? The golf community should not have to pressure one of its own to stand on the environmental high ground. But, one person falls off that high ground and so do compatriots from Honolulu to Halifax.

Like maintaining golf courses, designing them can be a stress on a family. It involves long days and sometimes long seasons for superintendents, long days and extensive travel for architects. Designer Barry Serafin, this month's Q&A subject (see page 27), puts his career and family in this perspective:

"Right now, all my projects are in central Ohio [where he lives]. I have a 6-, a 3- and a 1-year-old and I like to be home as much as possible. You have to keep your priorities straight. It's so easy to get so involved it takes over your life. Once that happens, it gets in

front of your God, in front of your family and things like that. Once your priorities get out of whack, so does your life.'

Referring to his association's request for proposals on the construction of putting greens (see story page 13), U.S. Golf Association Director of Research Dr. Mike Kenna says builders, architects and soil labs ought to back this. It should not be left solely in the hands of the USGA Green Section and superintendents, he argues.

"Who's involved in new golf course construction?" he asked. "In the world, research is done by the architects, not the maintenance men. In effect, [the industry] is doing the same as askthe plant manager (caretaker) to design a good furnace, etc. The USGA gets dragged into this because of our [green-spec] guidelines.'

Kenna added: "There's very little research into the most important factor: Ensuring you have a good property to work with and that it's built well."

There's no accounting for taste differences in turfgrasses, says Turf Merchants Inc. Vice President Steve Tubbs. "In Las Vegas, a desert, they are managing a New Jersey perennial ryegrass year-round. That's what they want. In Palm Springs, a desert, it's the opposite. They love Bermudagrass and want perennial ryes just to overseed and then to die out. And those two spots are only 200 miles apart."

Texas A&M University's Dr. Milt Engelke, a noted plant breeder, commenting on breeding turfgrasses: "It sounds like wedding preparations. You hear phrases like 'The prospects are excellent,' 'There's a lot of potential' and 'Now we have to go through generations of breeding in characteristics.'

# RFG troubles

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affected and how much small equipment there is out there used by contractors and landscapers. All this stuff, especially on a golf course, is specialized high-dollar equipment.

"I think there's going to be a lot more fallout as the summer goes on here. If there are any problems with this in the long run, it could damage our fleet and you could be talking about a lot of money.

With golf course work crews everywhere facing the brunt of the summer heat, mechanics also note engines using the new RFG seem to have problems starting and running when temperatures hit the mid-80s and higher. On top of all this, prices for the new gas have been creeping up steadily the past six months.

"You're paying a little more at the pump and you're paying for nothing," said David Pellerin, head mechanic for six years at Portland (Maine) CC. Pellerin said he recently discovered a melted head gasket for the first time on a National triplex bank mower and has had to make constant adjustments to mowers and grounds carts.

"I believe the gas is here to stay, so we're going to have to make the best of it. We'll probably start by going to a higher octane.

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defining the objectives, creating a structure, selecting leadership, obtaining funding and tracking results.

In South Carolina the course owners worked together to determine the economic impact of golf operations on the economy of the state. They desired useful comparative financial information to run their courses, objective data on the cost benefit of the state's tourism expenditures on golf marketing and facts to support the importance of the golf industry to state employment and taxes. Primary data is collected confidentially from golf course operators throughout the state.

The initial program was a cooperative project with the South Carolina Parks, Recreation and Tourism Department (PRT), the South Carolina Chapter of the NGCOA and the University of South Carolina. The study, to be repeated this year and every one or two years thereafter, will continue to receive research funding through a marketing partnership program with the PRT Department. The data on golf course operations accumulated for the most recent study was extensive, including average revenues and expenditures by various categories, age of course, capital expenditures, and percentage of in-state and out-of-state rounds.

public sector leaders as well as the general public are unaware of the significant role that golf plays with tourism, business development, contribution to the tax base and providing numerous well paid jobs. In South Carolina, the direct impact of more than 300 golf course operations - not counting the impact from related businesses, such as real estate sales, lodging, travel, food and other offcourse purchases - to the state was \$644 million. With these related expenditures added in, the economic impact of golf has been widely reported as \$1.5 billion.

Many owners, private and

Each tax dollar spent on golf advertising produces \$74 in spending by golfers. The South Carolina PRT 1994 marketing and advertising budget, which is funded primarily from admissions tax paid on golf greens fees, drew an 18 percent increase over 1993.

The economic impact from golf course operations has added more than 14,000 fulltime jobs for the state, with a payroll for those employees of more than \$227 million. Golf generates \$5.7 million in direct taxes and over \$16.7 million in combined tax revenue.

"Attracting more golfers means more jobs, more income and more tax revenue for the state," acknowledges South Carolina's Gov. David Beasley.



