

BRIEFS



**MARRIOTT PROMOTES NAULT, SCHLICK**

ORLANDO — Long-time Marriott Golf employees Bill Nault and Tom Schlick have been named to the company's corporate staff. Nault was appointed director of golf operations and will be responsible for Marriott's 18 managed facilities on operational issues and new property development. Schlick was named to the position of director, ground operations. Kevin Hammock will remain as director of operations and business development.

**MARE ISLAND GETS NEW MANAGER**

VALLEJO, Calif. — The city has selected the #1 Golf Co. to operate Mare Island Golf Course. The nine-hole track will be expanded to 18 as soon as the U.S. Navy releases the property needed. Mare Island's entrances are still guarded by the Navy. The #1 Golf Co. operates two other California courses and is developing a third.

**BRASSIE TAKES OVER MO. LAYOUT**

LAKE OF THE OZARKS, Mo. — Brassie Golf Corp. has been awarded a management contract for North Port National Golf Club here. Great Southern Savings Bank of Springfield, which foreclosed on the property July 31, reached the agreement with Brassie and renamed the facility the Osage River Club.

**MARYLAND FORMS OWNERS GROUP**

Owners and managers of public and private golf facilities have formed the Maryland State Golf Course Operators Association. George Reich of the Severna Park Golf Center is the president. For more information contact association headquarters at 410-974-4473.

**KSL ADDS PAIR**

MANASSAS, Va. — Bethany Duffield and Jennifer Rydholm have joined KSL Fairways as MIS trainer and human resources manager respectively. Duffield comes from Diamond Management Systems, among the largest providers of club accounting systems in the United States. Rydholm recently worked for Columbia First Bank and has extensive human resources training in the printing, banking and government contracting industries.



Bethany Duffield Jennifer Rydholm  
GOLF COURSE NEWS

# Southwest Golf set to expand reach throughout country

By PETER BLAIS

Golf courses are making money, but are they making friends? That's a question William Walters ponders every day.

"I'm not sure the attorneys, accountants and business people running golf today really understand what the game is all about," said Walters, chairman of The Walters Group and its subsidiary, Southwest Golf, which operates a total of five courses in Illinois, New Mexico and Arizona.

"The pros who ran golf courses for years knew little about how to run a business. Management companies came in and began operating them more profitably. The added revenue was good for golf. But they often lost the personal touch. There is still a huge demand for facilities run the old-fashioned way, with service and atmosphere being the most important things. We want to maintain our facilities at a high level with a high service level for our customers."

Service and atmosphere. Those are the qualities Walters said he will stress as he strives to grow his Las Vegas-based firm from its modest-sized present to a 20-plus course conglomerate.

The Burr Hill Club in St. Charles, Ill., currently under contract and expected to close in early October, is the latest addition to the Southwest portfolio. Southwest also operates Eagle Brook Country Club and The Golf Club of Illinois in suburban Chicago, Mesa del Sol Country Club in Yuma, Ariz., and Paradise Hills Golf Club in Albuquerque, N.M. All except Eagle Brook are daily-fee operations.

Southwest is also negotiating with the city of Las Vegas to build a Perry Dye-designed municipal course there. Walters said it would be only the second municipal layout in the fast-growing city. "It will be affordable, averaging \$22.81 per round for residents, including cart," he said. "Most of the public courses in Vegas are in the \$70-75 range."



A sample of how a portion of Paradise Hills Country Club in Albuquerque, N.M. looked before (above) and after (below) Southwest's renovation.



Walters hopes to buy or build four to five golf courses annually for the next few years throughout the United States. Plans are to group them like the three Chicago courses, which are located within 30 minutes of one another along Randall Road, a fast-growing area that is home to many corporate headquarters. The company will eventually

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**MARKETING IDEA OF THE MONTH**

## Dollar-per-hole plan attracts new and old golfers

By PETER BLAIS

ITHACA, N.Y. — It's 7:30 on a midsummer night, a time when a handful of golfers are working their way back to the clubhouse and the parking lot is fast emptying at most courses.

Not so here at Hillendale Golf Course.

"When most courses are getting ready to close down, we have a lot of people still coming in to play," said head pro Darlene Sommer.

Why? No, the course isn't lighted. And Ithaca isn't located above the Arctic Circle, so the club isn't bathed in sunlight 24 hours a day.

The reason is simple. Hillendale's dollar-per-hole plan allows golfers to play as many holes as they want anytime of the day.

The program has been extremely popular with experienced golfers with an hour or so to kill after work and with beginners making their first tentative steps from the practice range onto the course.

"Our course is well set up for it," Sommer said. "Holes 1 through 3 bring you right back to the clubhouse. The same for 10 through 12. We get a lot of people who come out and play a few



The 16th tee at Hillendale Golf Club

holes who normally wouldn't bother to come out at all."

The dollar-per-hole program is particularly attractive to beginners, a special group that Sommer and course owner Mary Novickas have tried to make feel welcome at their course since the two began working together at Hillendale 11 years ago.

"We've always been geared to making the course comfortable for beginners and trying to understand what they're going through," Sommer said. "When beginners are out on the course with people bearing down on them it can feel like they're out there for an eternity. So we developed programs to make them feel comfortable and help

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## EPA ruling on USTs could free up loan money for courses

By PETER BLAIS

WASHINGTON — Lenders may be more willing to loan money to golf courses and others with underground storage tanks (USTs) because of a recent U.S. Environmental Protection Agency (EPA) ruling limiting the liability of lenders financially involved in properties with USTs.

"This doesn't change the things we'll require of a borrower," said Don Rhodes, vice president of Gray Rock Capital, a subsidiary of NationsBank and one of the country's leading golf course lenders. "But it will allow us to make a loan where we might not have done so before."

According to the EPA, the new rule will limit the regulatory obligations of financial institutions and others holding security interests in properties with USTs.

Lenders, EPA said, have been reluctant to extend loans to these small businesses for fear of incurring UST cleanup liability in situations where the business, for example, becomes bankrupt and the lender forecloses on the property. By reducing the regulatory obligations of lenders, the agency aims to remove this potential barrier to extending loans to small businesses with USTs.

The new rule makes lenders eligible for an exemption from all UST regulatory requirements, both prior to and after foreclosure, if the lender holds an ownership interest in a UST or in a property on which the UST is located to protect its

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## Southwest Golf

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establish a Real Estate Investment Trust (REIT) to finance further acquisitions, he added.

"We've targeted the high-end, daily-fee market," Walters said. "And we're willing to spend the money to bring our courses up to that level. You look at what we spent in Albuquerque, especially on the irrigation system. We could have probably bought two courses for that much. But we wanted Paradise Hills to be the best. And it is."

Walters also believes in spending money on good people.

"There seems to be a feeling out there in the industry that you can hire anyone as a golf professional," Walters said. "But good people, with experience, are worth

extra money. We hired Jim Barber to be in charge of the Golf Club of Illinois. He had 35 years experience and we pay him for that. [Director of Golf] Hank George at Paradise Hills had 16 years experience. We could have gotten someone for 35 percent of what we pay Hank. But he couldn't serve our customers like Hank."

As chairman of The Walters Group, William Walters oversees Southwest Golf and the company's other divisions. Walters is also known as the operator of a very successful handicapping and sports wagering company, real estate developer and builder of casino properties. He founded The Walters Group, known until recently as Berkley Enterprises, in 1988. With total assets of \$28 million, the company is also involved in mortgage banking, venture capital, real estate development, hotel opera-

tion, casino development and management.

President and Chief Operating Officer Richard Chulick, formerly a partner in the Big Six accounting firm of Deloitte & Touche, focuses on the financial aspects of the company, including finding and evaluating investment opportunities. Other key Walters Group executives include Executive Vice President and Director of Real Estate Activities Stephen Yavorsky, Director of Real Estate Construction Daniel Way, Chief Financial Officer Cathryn Goecke.

Southwest Golf was formed in 1991 to fulfill Walters' dream of owning and operating a golf course. Paradise Hills was the company's first purchase followed by Mesa del Sol. The company expanded out of the Southwest in the past year with the purchases of The Golf Club of Illinois,

Eagle Brook and The Burr Hill Club.

Southwest Golf's management team includes several former Jim Colbert Golf Inc. [now Golf Enterprises Inc.] veterans. Director of Acquisitions Richard Campbell, Director of Operations Larry Wright and Western Regional Director of Golf Course Maintenance Richard Friedmann are all Colbert alum. Other key Southwest personnel include Director of Golf operations Michael Sullivan, Director of Golf Course Development Jim Barber, Director of Sales and Marketing Gail King, Director of Food and Beverage Services Mitchell Epstein and Midwest Regional Director of Golf Course Maintenance Gregory Johnson. Johnson is a former agronomic consultant for architect Perry Dye and superintendent of the Golf Club of Illinois.

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## Dollar-per-hole

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ease their way onto the course."

Hillendale began offering eight, one-hour lessons for \$20 11 years ago (the cost is \$60 today). The last lesson ends with Sommer taking her pupils onto the course and staying with them for two to three holes before returning to the clubhouse.

Many return, Sommer added, to take advantage of the dollar-per-hole offer. They usually begin playing two or three holes at a time. Many work their way up to nine then 18. Before long they join leagues, buy merchandise in Hillendale's pro shop and ultimately become members. Sommer estimates 80 percent of Hillendale's 175 members are graduates of the club's group-lesson program.

"The transition from the range to the course is a big one," Sommer said. "Beginners often feel like they don't belong on the course or in the clubhouse. The National Golf Foundation has done studies and is concerned about the number of beginners who start but give up the game.

"Our beginners aren't leaving. We have a lot of older men and women who are intimidated to go out and play a full nine on a regulation course.

"They come into the pro shop with the intention of playing three holes and come back off the course having played nine or 18. We get people playing and enjoying the game. If they enjoy it, they'll play more often. That's when we make our money."

Since most of the members came up through the dollar-per-hole program, there is rarely resentment on the part of members toward the fledgling golfers playing three, four or five holes at their course, Sommer said. Golfers are given the option of paying before or after they hit the course. Since many don't know how many holes they'll ultimately play, most wait until they're finishing before settling up at the pro shop.

"We haven't had any problems with people paying less than they should," Sommer assured. "People have been absolutely honest."

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