



THE WORLD OF MANAGEMENT IN '97

Franchising, consolidation and money were the key words on the 1997 management front.

Arnold Palmer Golf Management led the way by franchising the Palmer name and operating systems to course owners who want to continue operating their own facilities.

U.S. Golf Communities and Golf Ventures Inc. were among several management firms that merged in 1997, while ski industry operations like American Skiing Co. and Intrawest expanded their holdings to include more golf courses to help provide year-round cash flow.

And many companies like Troon Golf Management, GolfTrust, O.B. Sports and others dove into the public and private capital markets in search of capital to finance their expansions.

— Peter Blais

GCN MARCH

Palmer Mgt. moves toward franchising

By PETER BLAIS

ORLANDO, Fla. — Arnold Palmer Golf Management Co. has unveiled a franchise program that allows course owners to use the Palmer name and proprietary operating systems, but permits course owners to continue operating their golf facilities themselves.

"No one has provided management services to people who want to continue running their own courses, until now," said Palmer Chief Marketing Officer Joseph Redling. "We created this system specifically for them."



Arnold Palmer

In exchange for an undisclosed annual franchise fee plus a percentage of course revenues, courses that pass a selective screening process can become part of a Palmer Management network that currently includes 20 courses nationwide.

Continued on page 34

\$ \$ \$

GCN JANUARY

\$ \$ \$



Above: The 18th hole at Troon North's Pinnacle Course. Inset: Troon Chairman Dana Garmany

Newly capitalized Troon

By PETER BLAIS

SCOTTSDALE, Ariz. — Formation of a new partnership between Scottsdale-based Troon Golf Management and Starwood Capital Group LLC of Greenwich, Conn., should help Troon expand its golf course management portfolio and acquire additional properties.

"We're looking at the East and Midwest," said Troon Golf President and Chief Executive Officer Dana Garmany. "We'll probably double our size to about 20 properties in the next 12 months."

Troon Golf's new partner, Starwood, is a 50-50 partner with Goldman Sachs in Westin Hotels. It

Continued on page 38

\$ GCN MAY \$

Golf Trust of America to raise \$300 million

By PETER BLAIS

Golf Trust of America — a real estate investment trust established by the founders of The Legends Group in Myrtle Beach, S.C. — will raise \$300 million over the next three years allowing it acquire at least 30 courses by the end of the decade, according to the investment banking firm that helped develop Golf Trust's original

February stock offering.

"Golf Trust owns 10 courses at this time," said Christopher Haley, senior research analyst with Wheat First Butcher Singer. "It expects to acquire another \$55 million in 1997, \$110 million in 1998 and \$140 million in 1999. That should allow the REIT to more than triple the size of its portfolio."

Continued on page 37

\$ GCN NOVEMBER \$

OB Sports secures \$59 million, looks ahead

PORTLAND, Ore. — OB Sports has secured \$59.5 million of financing to solidify its financial position and pursue additional projects to add to its current six-course portfolio.

The Portland-based firm's goal is to develop a series of upscale, resort-style projects in each of the major metropolitan markets on the West

Coast, according to an OB Sports release. The courses will be referred to collectively as the OB Sports Golf Trail.

The financial package includes \$43.5 million in senior notes obtained from Pacific Life Insurance Co. along with \$16 million of growth capital ob-

Continued on page 37

Ski firms become major players

GCN FEBRUARY

American Skiing Co.

By PETER BLAIS

Skiing provides the monetary speed, but golf helps smooth out the financial bumps for American Skiing Company, a major Northern New England ski operator that is fast becoming one of the region's major golf course owners and operators.

Although it represents just 10 percent of ASC's total revenues, golf helps even out the company's cash flow throughout the year, according to ASC Chief Financial Officer Tom

Continued on page 35

GCN APRIL

Intrawest

By PETER BLAIS

COPPER MOUNTAIN, Colo. — The folks at Intrawest have reached the literal pinnacle of North American golf with the recent purchase of Copper Creek Golf Club, reputed to be the highest golf course on the continent.

The Pete Dye-designed layout at the Copper Mountain ski resort plus January's acquisition of the Tom McBroom-crafted Mont Ste. Marie ski resort and golf course near Ottawa,

Continued on page 38



Killington Golf Course is part of American Skiing Co.'s growing stable of courses.

GCN APRIL

GolfSouth finds new partner in ClubLink

By HAL PHILLIPS

GREENVILLE, S.C. — To compete for today's course operations contracts, it takes more than for-profit management credentials. It also takes deep pockets.

The pockets at GolfSouth LLC just got deeper following its alliance with Canada's only publicly



Continued on page 36

GCN OCTOBER

Golf Ventures, USGC tie the merger knot

By PETER BLAIS

ORLANDO, Fla. — Course operators Golf Ventures Inc. of Salt Lake City and U.S. Golf Communities of Orlando, Fla., have signed an agreement amounting to a reverse merger.

Golf Ventures operates three courses in Utah and Golf Ventures six golf properties and related

Continued on page 36

Troon Golf

Continued from page 33

also established the Starwood Real Estate Investment Trust, a major hotel investment vehicle. Troon will manage all new Westin golf properties and consult on Westin's existing golf properties as needed, Garmany said.

"The partnership will allow us to develop a property in-house rather than have to look outside for investors, if that's what we choose to do," Garmany said. "Starwood is a great source of capital and expertise for us."

Troon Golf has developed and/or man-

ages many high-end Southwestern U.S. layouts, including Troon North and Legends Trail golf clubs here, The Golf Club at Vistoso in Tucson, Castle Pines North in Denver, Primm Valley Golf Club near Las Vegas and Scottsdale's Talking Stick, which is under construction. It has helped develop Cabo Real Campo de Golf in Los Cabos, Mexico, and The Falls at Palm Mountain in Palm Springs, Calif., as well as performing golf operations consulting at Las Brisas Golf Club in Santiago, Chile; La Cantera Golf Club in San Antonio, Texas; Troon Golf & Country Club in

Scottsdale; and Woodward Country Club in Birmingham, Ala.

Troon Golf is primarily a turnkey operation. "We do everything from the feasibility study through daily management of the course," Garmany said. "We have some management-only contracts. But we prefer to develop a course from the ground up."

That's what the firm did at its first course, Troon North. Since opening in 1990, the Jay Morrish/Tom Weiskopf Monument Course has been voted the top course in Arizona by some publications and among the top 100 in the country by

others. "We started with a core group of about six principals in the company," Garmany recalled, "and did everything ourselves. We felt if we were going to put our money into it, the best way was to control everything ourselves right from the start."

Not wishing to rush into a development without the resources to do the job properly, Troon Golf moved slowly through the first half of the 1990s, opening a new course every year or two. However, Primm Valley opened in December, and the company has two courses scheduled to open within the year: Castle Pines North this spring and Talking Stick in the fall. Construction of La Paloma also began in December.

"We've expanded to the point where we can do more than one course at a time," said Garmany. "We won't open a course early, though. Nine out of 10 courses open too early. But you get one chance to make a first impression and we don't want to mess it up."

Although the company has cut back on its fee work in favor of developing its own projects, it still provides consulting services. Troon Golf did the development work for the owner — the Salt River Pima-Maricopa Indian Community — at Bill Coore/Ben Crenshaw-designed Talking Stick. "We worked on a fee basis as a third-party consultant, hiring the architect, builder and subcontractors," Garmany said.

The Rainmaker

SO₂ GENERATOR



INCREASED

- ★ FERTILITY
- ★ TURF GROWTH AND COLOR
- ★ WATER PENETRATION
- ★ EFFECTIVENESS OF APPLIED FERTILIZERS

REDUCED

- ★ FERTILIZER COST
- ★ LOWER pH OF WATER
- ★ ALGAE IN RESERVOIRS & DISTRIBUTION SYSTEMS
- ★ BICARBONATES & CARBONATES
- ★ CALCIUM & SODIUM DEPOSITS

For More Info
Call or Fax
(209) 439-4431



P.O. Box 26084
Fresno, CA 93729

CIRCLE #131

Computerized Golf Management

- Point-of-Sale
- Pro Shop
- Concessions
- Memberships
- Tee Time Reservations
- Digital Photo ID
- Touch-Tone
- Internet
- Groundskeeping
- Integrated Accounting

Developed by golf managers and PGA professionals since 1975. Millions of rounds sold. Windows 95, NT, Novell, UNIX or VMS. On-site training. 24 hour 7 day support.

AEK Computers
a division of Thoroughbred Software International, Inc.

800-666-4AEK

CIRCLE #130

Intrawest

Continued from page 33

Canada, brings the number of Intrawest golf properties to five.

The British Columbia-based "mountain resort company" as it likes to be called, plans to open a Doug Carrick-designed 18 at Panorama ski resort in British Columbia and a Cal Olsen layout at Mammoth Mountain, California, by July 1998.

"Golf will likely be a part of each resort and real-estate project we undertake," said Vice President of Marketing for Resort Operations Michael Davis, who oversees the company's golf operations. "Intrawest is committed to golf. We're looking to acquire more resorts. If there isn't a course already there when we acquire a property, then we'll build one if it's possible."

Intrawest entered the golf business in 1995 with its purchase of West Virginia's Snowshoe ski resort and its Hawthorn Valley Golf Course. Last year Intrawest purchased Stratton Mountain in Vermont and opened Le Geant at Mt. Tremblant near Montreal. Stratton has a 27-hole, Geoffrey Cornish-designed course. Le Geant has a Tom McBride 18 that placed second among Golf Digest's best new Canadian courses in 1996, Davis said.

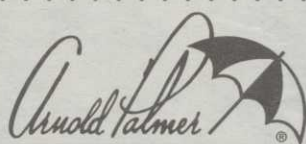
"Golf helps with the seasonality of the mountain resort environment," Davis said. "We like to think we're in the mountain resort business, not the ski business. Golf is an important amenity for the summer resort and real estate developments."

Golf accounts for five to 10 percent of Intrawest's total revenues, Davis said. But it also helps fill resort rooms that would otherwise go empty in summer; increases spending in ancillary businesses like restaurants and shops; and helps provide year-round employment for the company's key employees.

Intrawest manages all its courses. "Operating a number of courses definitely gives us some operational flexibility," he said.



We're Building Its Future.



ARNOLD PALMER
GOLF MANAGEMENT
Where Everyone Loves the Game™

Experience the power of a proven brand with a revolutionary concept in golf course operations. Leveraging the most powerful brand in the industry, the Arnold Palmer Golf Management System™ is a new vision incorporating: **Marketing, Guest Service, Operations, Agronomy and Purchasing.**

Growing with: • Independent Operators through Franchising • Acquisitions, Leasing & Management • Joint Ventures for New and Existing Courses

Arnold Palmer Golf Management
9000 Bay Hill Blvd • Suite 300
Orlando FL 32819 • (407) 926-2579

CIRCLE #133

Leading The Industry... Volumes At A Time!



Otterbine®/Barebo, Inc.
3840 Main Road East • Emmaus, PA
18049
Phone: 1-800-AER8TER
Fax: 610-965-6050

CIRCLE #132