

GOLF COURSE NEWS

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GCN HONORS BUILDERS OF THE YEAR

MacCurrach Golf Construction, whose principal Allan MacCurrach is seen here with client Arnold Palmer, has been named the Golf Course News Small Builder of the Year for 1996. SAJO Construction earned top honors in the large builder category. For stories, see pages 56-57.

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Openings top 400 mark

Promising project pipeline makes '97 slowdown unlikely

By HAL PHILLIPS

File this one under "Business cycle be damned."

The golf course industry witnessed the arrival of another 442 facilities during 1996, fending off the downswing predicted by optimists and skeptics alike. Openings have climbed a steady parabola since 1990. Despite a slight decline from the record 1995 figure of 468 openings, observers view last year's formidable production with a combination of glee and disbelief.

"I continue to be amazed by the boom

A Matter of Course: 1996 Openings

| | |
|-------------------------|-------|
| Daily-fee | 337 |
| (18-hole equivalent...) | 233.5 |
| Municipal | 53 |
| (18-hole equivalent...) | 40.5 |
| Private | 52 |
| (18-hole equivalent...) | 39.5 |

Projects currently in construction: **850**

Openings scheduled for 1997: **657**

Alternative spikes gain acceptance

By MARK LESLIE

NORTH BARRINGTON, Ill. — In April 1994 when Wynstone Golf Club here banned metal-spiked golf shoes, superintendents nationwide held their breath, anticipating who-knows-what reaction from golfers. Three years later, and 45 years after the United States Golf Association (USGA) first called on golfers to forsake their metal spikes for more turf-friendly footwear, the revolution is on.

"The latest estimate I've heard is that 1,500 courses have switched to alternative spikes of one sort or another," said USGA Green Section National Director Jim Snow. "I think it's certainly a very popular trend that will have a big impact."

Snow pointed out that the number of courses

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The Class of '96: Nicklaus-designed Hualalai Golf Club on Hawaii's Big Island was among 442 new openings last year.



in new course construction," said Lansing, Mich.-based architect Jerry Matthews. "I suppose I say that because I've been in this business for 30 years. It goes in cycles, as other businesses do. History tells us there is going to be a downswing; it's just a question of when."

Not any time soon, it would appear. According to the National Golf Foundation (NGF), more than 800 projects are in the construction phase, meaning any downswing almost certainly will not take

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IT'S SHOWTIME!



SPECIAL GCSAA VEGAS COVERAGE

Bally's Casino Resort Hotel — whose Grand Ballroom will host the Opening Session — and Hoover Dam are just two of the Las Vegas-area attractions awaiting attendees of the Golf Course Superintendents Association of America International Conference and Show, scheduled for Feb. 6-12. For complete show coverage, including an easy-to-read conference and events schedule, see pages 45-55.



Ski managers: Golf key to year-round revenues

By PETER BLAIS

Skiing provides the monetary speed, but golf helps smooth out the financial bumps for American Skiing Co. (ASC), 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 Richardson.

"Golf has been very important at

Sugarloaf [USA]," noted Peter Webber, the Carrabassett Valley, Maine, resort's golf director and a member of the committee that coordinates ASC's four golf course operations. "The additional cash flow helps us through the summer. It lets us employ some of our best people on a year-round basis. It keeps the hotel rooms occupied and pulls in other summer business."

ASC operates eight ski areas — Sunday River and Sugarloaf/USA in Maine; Attitash Bear Peak in New Hampshire;

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NEWSPAPER

'96 course openings

Continued from page 1

place before the new millennium. While some 657 courses are scheduled to come on line this year, a more realistic figure is 400 to 450, according to NGF Vice President Richard Norton.

"Historically, about two-thirds of those projects under construction open during the calendar year," said Norton. "Last year, we increased the total golf course stock by 2 percent, which is steady. Many people see the golfer population remaining flat and ask, 'Why should the facility

population grow?'

"Well, the trends overlap. In the 1980s, there was huge growth in demand. In the '90s, we see growth in supply. They're beginning to match up now, and we expect another surge beyond the year 2000 as Baby Boomers get older. We've also seen a surge in spending from the golfing public — investment in equipment and golf fees. This bodes well for growth on the demand side."

Norton noted that scads of course openings, for their own sake, are not necessarily positive market indicators. More encouraging, he said, was the positive

'Financing continues to be more favorable than it was several years ago. But it's hard to generalize. In fact, it's stupid to generalize. Golf is a very regional business.'

— NGF VP Rick Norton

distribution of the 442 new courses (262 start-ups and 162 expansions of existing facilities). Where playing rates are high-

est (the Midwest), development was strongest. Further, approximately 88 percent of the new courses opened were public-access, meaning all manner of player can patronize them.

Matthews' home state of Michigan — with the nation's highest participation rate — led the pack with 34 course openings, 28 of them daily-fee, resort or municipal. Another high-participation state, Florida, placed second with 31 openings, 22 of them public-access. North Carolina also opened 31 new facilities.

"If you take the Midwest and Southeast together, they account for nearly half the total course openings," Norton explained. "When it comes to participation, that's where golfers live. In the Midwest, we continue to see farmers converting their land into golf courses. In that region we also see many more options in terms of capital investment, from do-it-yourself projects that charge small green fees to multimillion-dollar projects that charge higher, resort fees.

"In the Southeast, there is less range. Projects are a little more high-end. They're driven by real estate and tourism, or more so than in the Midwest.

"It appears that projects are more economically driven — meaning they're located in places where they're needed, to fill a need in the marketplace. Financing continues to be more favorable than it was several years ago. But it's hard to generalize. In fact, it's stupid to generalize. Golf is a very regional business."

Developers seem to have learned some valuable lessons.

"Absolutely," said Joe Niebur, president of Niebur Golf, a Colorado Springs-based construction firm. "I've learned. The architects have learned. We demand a lot more information from owners. Feasibility studies are better. Banks are more intelligent and experienced about what they'll lend a guy. This is a plus for [the industry] because if one or two projects go bad, it hurts everyone."

So, not only are there more projects, there are more well-conceived projects?

"All I know is, we're swamped," Niebur continued. "I think it will be stronger this year because of the amount of work we have out there. I'm usually starved for work this time of year. But we were booked before Christmas. I can't believe it's just us."

More numbers from the NGF:

- New York led the rain-soaked Northeast with 20 new openings, 16 of them public-access. Indeed, the East Coast experienced horrible spring weather. "Because of the spring, we lost four to six weeks on the construction end," said Matthews. "It makes you wonder how many we might have opened had the spring been dry!"

- The high percentage of public-access developments across the board is no surprise, as the trend has grown steadily in the 1990s. Eighty-eight percent of last year's 442 openings were daily-fee, municipal or resort. Eighty-five percent of those scheduled to open next year are public-access.

- Arizona opened only eight courses last year. California, a large state, opened a relatively paltry 27.

- Thirty-two percent of last year's openings were real-estate related, the same percentage as 1995.

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| | |
|---------------|---------------|
| Europe | 5,200 |
| Canada | 3,600 |
| Asia | 5,900 |
| South Africa | 400 |
| Total: | 15,100 |

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- Owners
- Architects
- Builders
- Course & Grounds Managers
- Club Secretaries
- General Managers
- Developers
- Green Keepers

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Written for top management & developers at golf facilities in Europe, Asia, Canada & South Africa. Editorial is directed toward course management & development with reports on maintenance management and supplier business.

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