

BRIEFS



ZMETROVICH MOVES TO EXECUTIVE SPORTS

Michael Zmetrovich has been appointed vice president of the Club Services Division at Executive Sports. For the past three years, Zmetrovich was the director of Landauer Associates Golf Services Group, where he was responsible for marketing, sales and management of the firm's national golf and club consulting practice. Executive Sports, a division of Golden Bear International, is a global sports management company specializing in professional golf tournament management, corporate sports marketing and golf club management and marketing.



Zmetrovich

BROTHERS JOINS WALLACE

John Brothers, former VP of Finance and Administration for Paragon Golf Construction and CFO of Nicklaus/Sierra Development, has joined Wallace & Associates, a certified public accounting firm in Dayton, Ohio. Brothers will be responsible for developing the firm's real estate, construction and golf-related business.

GUEST COMMENTARY

Problems and solutions for tax assessments

By LARRY HIRSH

As local governments and school districts become increasingly squeezed for operating revenues, real-estate owners are asked to bear a larger burden. Golf courses seem to be an easy target in the search for property tax revenues. Why not? Only 12 percent of the population plays golf and most golfers are perceived by non-golfers as "rich people in bright clothes chasing a little white ball." Moreover, when schools, police and fire protection are at risk, golf courses certainly are politically acceptable targets.

The choice of perceptions on valuation methodologies which determine property assessments differ generally depending on which side of the equation one takes.

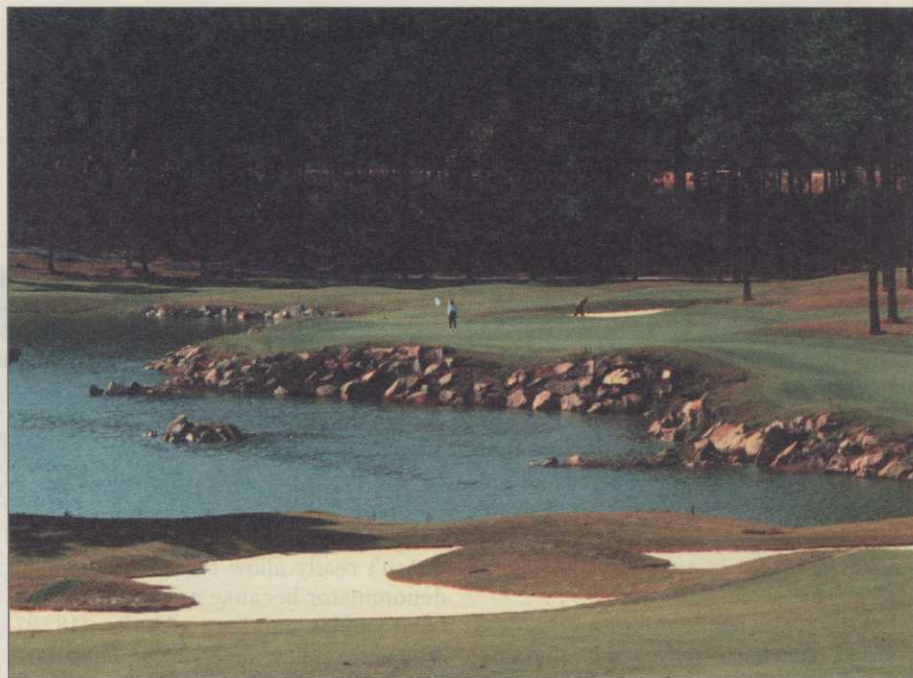
Appraisers traditionally rely on three approaches to value. These are the income approach, the sales-comparison approach and the cost approach.

Income Approach — A set of procedures through which an appraiser derives a value indication for income-producing property. A measurement of the present worth of future benefits.

Sales-Comparison Approach — A set of procedures through

Continued on page 36

Larry Hirsh is president of Golf Property Analysts, a Harrisburg, Pa.-based golf course appraisal firm.



Pinehurst Plantation, a U.S. Golf Communities-managed property.

Golf Ventures, USGC tie the knot

By PETER BLAIS

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

Golf Ventures operates three courses in Utah and USGC six golf properties and related real estate scattered throughout the United States.

Under the pact, Golf Ventures will issue 26.6 million authorized, but unissued, shares of common stock representing 81 percent of the post-transaction shares outstanding. The assets of USGC will be merged with Golf Ventures.

"We're ready to go public and should close within the next 75 days," said USGC President Warren Stanchina in mid-September. "This will give us better access to more capital. We have an engagement letter from Oppenheimer [& Co. Inc.] to do our secondary offer."

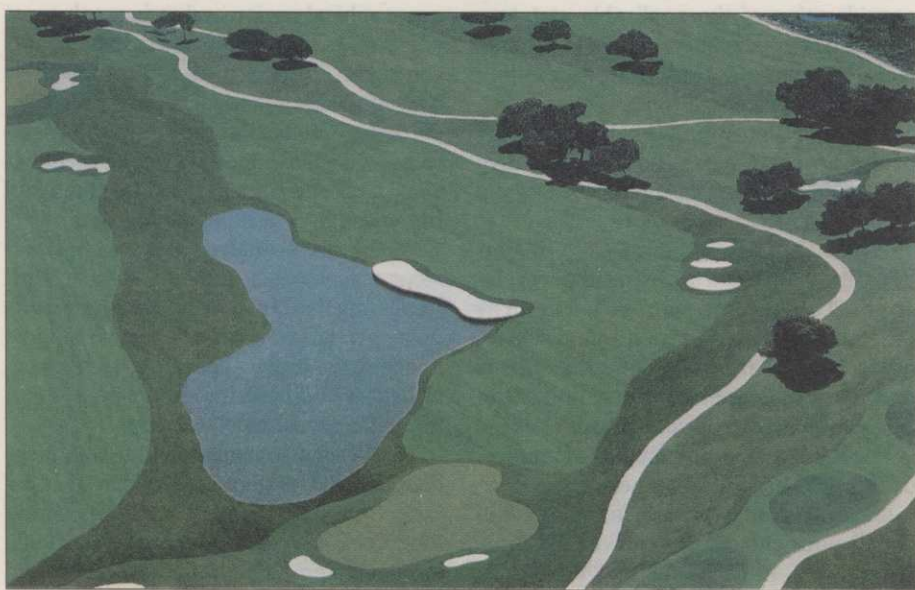
The stock issue should raise \$50 million over the next nine months, Stanchina said, allowing USGC to pay off the remainder of its debt and look at acquiring additional golf course facilities and real estate.

USGC's six projects are located in central and south Florida, North Carolina and Texas. They include such properties as Pinehurst Plantation (Pinehurst, N.C.) and Cutter Sound Golf and Yacht Club (Stuart, Fla.).

Golf Ventures projects include Red Hawk International Golf & Country Club, Cotton Manor and Cotton Acres, all located in St. George, Utah.

Stanchina, a class "A" PGA golf professional with 25 years experience in golf course community development, acquisition and management, will become chairman of the board, president and chief executive officer (CEO).

Continued on page 38



AGC MOVES ON SAN DIEGO

The 6th hole on the River Course located at American Golf Corp.-managed Riverwalk Golf Club in Mission Valley, San Diego. Opening in early 1998, the newly designed, daily-fee course is located on the site of the former Stardust Country Club. Developed 50 years ago, the original Stardust course hosted the San Diego Open, started by Bing Crosby. "The location of the property is phenomenal," said Tom Frost, regional vice president for American Golf. "It's in the heart of San Diego within minutes from the beach, Sea World and the zoo. Its proximity to Hotel Circle makes it a natural for San Diego conventions and tourists." Now this location has a course to match due to the efforts of father and son architects Ted Robinson and Ted Robinson Jr. Over 500,000 cubic yards of soil were used to create numerous elevation changes and undulating fairways. Gone is the old practice range and in its place is a 7-million-gallon lake, which serves as both a reservoir and way station for migratory birds.

PERSONNEL CORNER

Some people don't know when they have it good

By VINCE ALFONSO

The front counter at The Rail was positioned perfectly. While standing behind the counter facing my customers, a simple turn to my right revealed the 10th tee, to my left the 1st tee and I could turn around behind me and see the putting green and driving range.

I had just sent a foursome to the 1st tee, when a man and woman approached the front counter. They looked to be in their 70s and definitely on a mission. The man pointed over my right shoulder, obviously pointing at something on the golf course, and said, "Do you like that thing?"

I turned around, scanned my putting green and driving range for clues. Finding none I turned back

to the gentleman and said, "I'm sorry, what thing?"

He said, "That silver thing at the range."

I said, "Oh, my range servant!"

"Yea," he said. "How do you like it?"

"It's great," I said. "It's always here in the morning before I arrive. It doesn't complain about working late, never takes a break, even for lunch and it has never asked off for prom. Oh, it gets sick every once

Continued on page 37

Vince Alfonso Jr. is a 40-year, golf industry veteran, president of Alfonso Creative Enterprises Inc., and owner of Kimberling Golf Course near Branson, Mo. He can be reached at 417-639-4370.

Public Golf Forum

Continued from page 1

at the public-access golf market.

During his session, entitled "What Renovations Can Mean to Your Bottom Line," Gagliardi will discuss which course amenities should be improved; how much should be spent; how much can be added to green fees because of the improvements; and how long it will take to recover the financial investment.

"Renovations are important because they enhance the services you offer, allowing you to receive higher green fees, food and beverage revenues, etc.," Gagliardi said. "The key to getting a renovation job done right is finding the right trades people to do the renovations."

Gagliardi, general manager for the past eight years of Lansbrook Golf Club in Palm Harbor, Fla., is the chief operating officer of Diamond Players' Club, a newly formed golf management and ownership company. St. Louis Cardinals' pitcher Todd Stottlemyre is among several owners, which includes well-known sports celebrities and successful businessmen.

Diamond Players Club strives to provide the feel of a private club in a public-access golf setting, Gagliardi said. The firm recently assumed management of the Belleview Biltmore Golf Course and Hotel, a Donald Ross-designed layout in Clearwater, Fla.

Alfonso

Continued from page 35

in a while, but with so few moving parts, it doesn't take long to fix it and it always comes back to work full speed."

"Why do you ask?"

The gentleman proceeded to tell me how he owned a range north of Springfield and that he was sure he was getting ripped off by his customers and thought installing a ball-dispensing device would cut down on pilferage.

You better sit down for the rest of this story.

I asked him how he dispensed balls now. He said his customers, "scoop em out of a trough."

Naturally, I asked him how his customers get the buckets to do their scooping. He said, "Jim stacks them next to the trough."

You guessed it, "Who's Jim?" I asked.

"He's the guy I gave the lot to next to the range in exchange for his mowing the range and picking up the balls and the buckets."

"Who collects the money?" I asked.

"They put the money in the box," said the man.

"What box?" I asked.

"The box next to the trough," he replied.

"Let me start over," I said. "How many employees do you have?"

His wife jumped in, "We used to be in construction. I had my fill of employees. We don't have any. No sir'ee. No payroll for me."

"What about Jim?" I asked.

"He told you," she said. "We traded him his lot for what he does for us."

"What about the upkeep of your building?" I continued.

"We don't have a building, just the trough," she responded.

GOLF COURSE NEWS

Other topics and speakers scheduled for the 50-minute Management Track sessions include:

- *The "Speed of Play" Revolution* presented by David Pillsbury, executive vice president of resort operations with American Golf Corp. This session details an innovative program that integrates the management of tee sheet inventory with front-line service programs to revolutionize speed of play. Concentrated focus on the right services can positively impact speed of play and a customer's perception of a golf facility.

- *The General Manager: Figurehead, Department Head or CEO* presented by Jim Seeley, senior vice president of operations, Kemper Sports Management. The real responsibilities of the general manager and how to find one for a golf course will be discussed. Seeley is a former general manager and will analyze key issues relating to the general manager, ranging from hiring the right employees, to obtaining and utilizing the right training tools, to creating top-notch customer service.

- *Building Your Reputation, Building Your Profits* presented by Joseph Redling, chief marketing and operating officer, Arnold Palmer Golf Management. Owners have traditionally run their courses themselves or had to hire a management company to do so, until now. Arnold

Palmer Golf Management recently unveiled a novel franchise program that allows course owners to use the Palmer name and operating systems, but permits course owners to continue operating their courses themselves. Redling will discuss how this new franchising concept fits into the public-access market.

- *How to Get Widespread Publicity for Your Course* presented by Elaine Fitzgerald, president, Fitzgerald Productions. If done well, a publicity effort that's fun or unusual can bring more positive attention than paid advertising, often for less money. Fitzgerald, a sports marketing expert, outlines practical strategies for developing far-reaching publicity efforts that benefit the community and foster good will.

- *Operational Audits: Identifying the Opportunities* presented by Michael Zmetrovich, vice president of the Club Services Division at Executive Sports. Operational audits are designed to analyze and critique the physical, financial and operational conditions of a golf facility, which helps uncover critical opportunities and inefficiencies. Typically conducted by a third party, Zmetrovich will demonstrate how course owners can conduct their own operational audits, focus-

ing on the major businesses within a golf facility: operations, course maintenance/agronomy, retail sales, food and beverage, and overall management and marketing.

- *Increasing Your Outing Revenues* presented by Lisa Wohleib, vice president, Corcoran Jennison Hospitality. Often under-utilized, corporate golf outings can build clientele and increase course revenue, especially when positioned during soft times on the tee sheet. Wohleib, who has substantially increased profits at Corcoran Jennison, will discuss how to market to corporate groups, including creative direct mail and attractive collateral materials.

The Management/Marketing and Development tracks will join forces during a special 2 1/2-hour session entitled *Expanding Your Base: How to Get New Players into the Game*. Rob Tallman, marketing director of Nike Golf, will use demographic studies and marketing indicators to demonstrate how to attract two largely, untapped markets — junior and women players. Tom Kendrick, golf manager with the Hamilton County (Ohio) Park District, which operates seven county courses in Cincinnati, will then discuss the county's most successful programs for drawing new golfers into the game.

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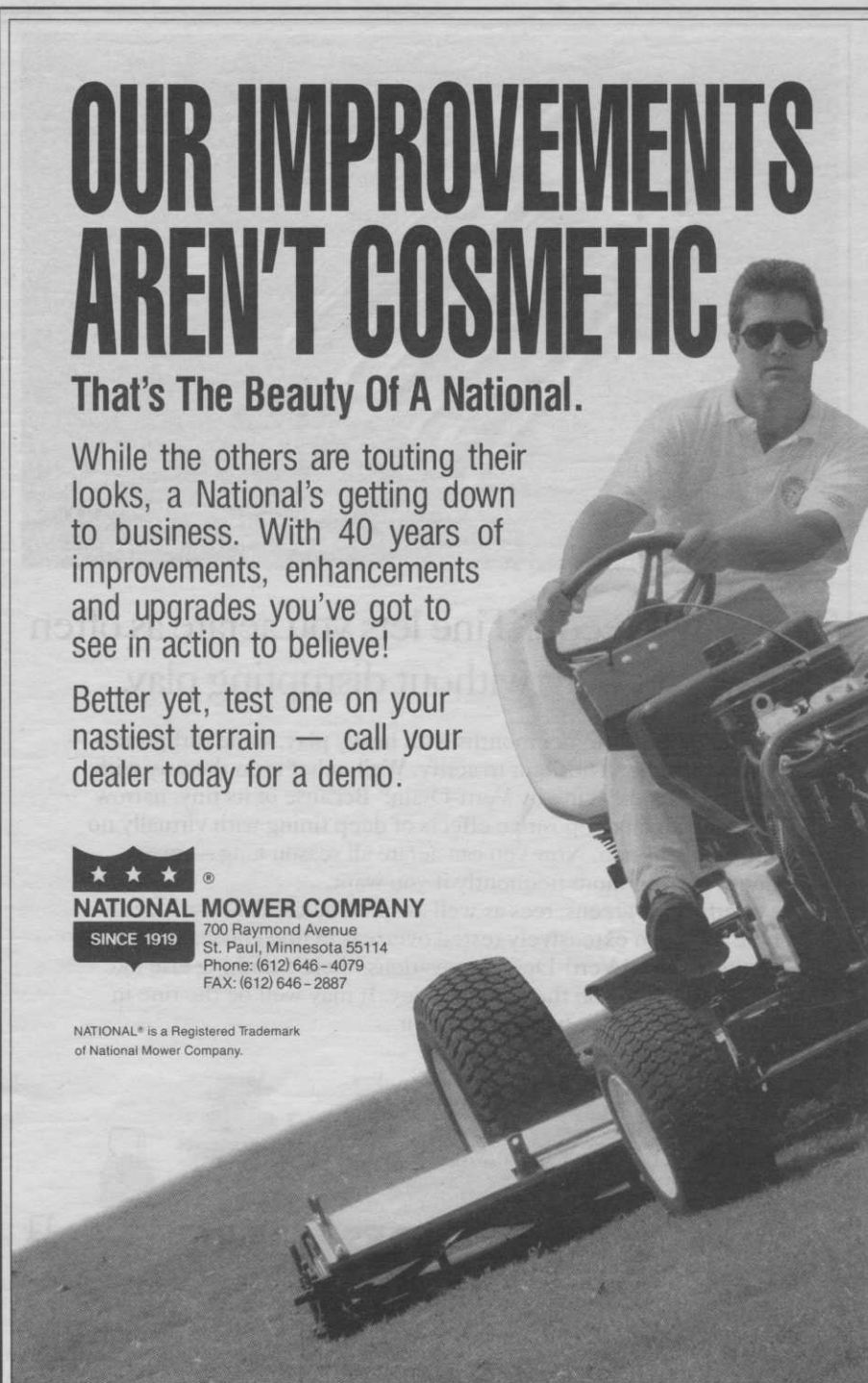
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