

Pre-show notes, facts and dispelled rumors

I would first like to extinguish the rumor that John Deere will be announcing their first golf car on the floor of GCSAA's 69th International Golf Course Conference and Show. Our sources at Deere tell us that it's just not happening — yet.

- Second, the early word from the National Golf Foundation (NGF) is that another 429 golf courses opened (that's including expansions) in 1997, making it the third year in a row the number has gone over the 400 mark — and it doesn't look as if that number is going to dwindle any time soon.

There are, at this time, 932 courses currently under construction, more than any other year since the NGF has been keeping these records. And since, historically, two-thirds of the courses under construction come online the following year ... well, you do the math.

To keep this boom rolling into the millennium — which it just might do anyway — the industry must be concerned about budging the stagnant player participation numbers. The time seems to be right. With the baby bomber market getting older and the predicted glut of young and eager Tiger Wood's fans, we may finally see movement in those numbers if affordable golf and targeted learning and teaching programs become the norm. If that happens, well, keep your eyes peeled for a nice, inexpensive 140-acre plot.

- The UK government has cleared Textron's acquisition of Ransomes. According to wire sources, Secretary of State for Trade and Industry Margaret Beckett said she has decided not to refer the proposed acquisition by Textron of Ransomes to the Monopolies and Mergers Commission — meaning that the governmental hang ups that Ransomes Chief Executive Officer Peter Wilson spoke of last month (see *GCN*, January, 1998) are of little concern at this point.

According to Ransomes, the new shareholder vote date was scheduled for January 27, which is, unfortunately, eight days past our February deadline. So if your reading this editorial on the show the GCSAA show floor, you may want to do a little investigative reporting yourself at the Ransomes booth. From our report in *GCN* January (page 67), the probable deal is looked upon quite favorably by both Ransomes and Jake distributors.

- If you are, in fact, walking the show floor or taking a much needed break at GCSAA, you may want to take a deep breath and another bite of nourishment. Create an agenda. What do you want to take back home with you? Don't get crushed in the sensory overload.

- Required reading this month is at the bottom of this page. Ron Fream's guest commentary on the state of the golf industry in Asia gives *GCN* readers a solid overview of the economic crisis and its effect on golf. Very few people have as much experience in the Asian market than Fream, and we thank him for taking the time to piece together his thoughts.



Michael Levans,
editor

Builder's awards offers compelling look inside the industry

Accolades. We all love them. Too often they are not uttered until the funeral. *Old Farmers Almanac* publisher and Geiger Bros. owner Ray Geiger, knowing he was about to die, held his own wake before he passed on a few years ago so that he could hear all the nice things people had to say about him.

Well, few of us can, could, or would do such a thing. And so it was fascinating, instructive and downright uplifting to receive so many unsolicited testimonials in the last month about the golf course builders who had been nominated for *GCN*'s annual Best Golf Course Builder and Best Small Golf Course Builder awards.

It presented a compelling look, in fact, at the people in this industry — at both ends. First, there are the golf course builders whose livelihood depends on how well they do their job and please their clients. At the other end are the clients — developers, course architects and superintendents — who would go out of their way to tell us how impressed they are with a certain builder.

At the risk of sounding too kissy and mushy, and even like an outright "homer" for the golf course construction industry, I gotta say: I'm impressed.

Here's course designer Dana Fry's handwriting: "The best things about Niebur Golf are the quality of job superintendents and shapers. They are as good as it gets in this business. They also have what I believe to be the most important thing in any business, and that is a good leader in Joe Niebur. When he tells you something it is not an empty promise. He gets the job done right, and he is a great person to work with."

Here's BocaWest Country Club President and General Manager Jay DiPietro saying: "Simply put, Ryan Golf [of Florida] exceeded our expectations in each of the categories listed on your questionnaire. After making a few notes prior to compose this letter, I thought to myself, 'Who would believe this; it sounds too good.' But the fact remains that Ryan Golf deserves the highest marks for each category."

Here's York Downs Golf & Country Club General Manager Leo A. W. Blindenbach saying of Turf Drain, Inc.: "The professionalism shown by [President] Geoff Corlett and his crew was beyond the call of duty. The members are thrilled with the results and the incredibly small amount of inconvenience caused by such a major overhaul."

Here's architect Jim Engh saying of RBI Golf: "These guys did a phenomenal job on a tough project [Red Hawk Golf Course in Castle Rock, Colo.]"

Unsolicited comments, all. And these companies **did not win**.

This is a testimonial for the industry, methinks. By and large, and especially compared to other industries, the back-biting is rare; the teeth-clenching is minimal; and seething rhetoric is usually reserved for those outside the industry.

Dost I flatter too much? Well, perhaps. But sometimes flattery is true.

- One of my favorite comments came from Lester George of Colonial Golf Design about Best Small Builder winner Quality Grassing & Services.

"Their renovation work is particularly excellent," he told me. "They're so surgical and they mess up so little."

"Surgical?" I laughed.

"Anybody can lop off an arm," George said, "but these guys can do delicate facial stuff."



Mark Leslie,
managing editor

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GUEST COMMENTARY: OVERVIEW OF THE ASIAN ECONOMIC CRISIS

Golf in Asia: Near-term hardship, long-term benefit

By RON FREAM

The press, television and radio have been full of stories discussing Asian economic turmoil, which came to a head in Bangkok in mid-1997. Over the past six months, around the region, country by country, Asia has suffered varying degrees of economic instability. Predictions are dire for the near term in numerous countries. But what are the implications for golf course development and golf in Asia during this period of economic

instability?

The situation we have now actually began to appear several years ago. The following is a quick survey of how we got to where we are today:

Thailand began experiencing a real estate and golf membership sales slow-down about three years ago. Real estate sales around golf in Malaysia began slowing several years ago. Membership sales also began softening several years ago due to over supply. Membership values quit escalating across Japan more than four years ago.

In China, real estate sales around golf have been declining or marginal for perhaps two years. Home sales on golf

courses really have not taken off in China. Membership sales have slowed. Across Asia, the decade-long speculative rise in club membership prices also was in decline before the Thai Central Bank imploded.

In Indonesia, the large population and expansion of the middle class helped buoy the demand for membership golf. The international tourism market has been supportive of some resort development as well. India has been in political and associated economic disarray for nearly two years while golf development has been sporadic and poorly implemented in most cases to date.

In Taiwan, population demand

pressure and limited supply helped support existing courses. Land acquisition and site limitation difficulties have been holding back golf development there. Korean instability is of recent origin, surely helped by the onrush of expanding economic disarray elsewhere. Membership sales will slow. Membership values will drop, at least in the near term.

Manila has pent-up demand for residential housing and golf. A relatively soft readjustment in the Philippines economy should help to support the demand. However, access to loans for property development and real estate purchase, or golf membership purchase, is tightening. Existing courses are seeing good volumes of play.

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