

Study finds golf a \$1.6-billion industry in Massachusetts, second only to California

By JOHN F. LAUERMAN

BOSTON — Golf officials and business owners from around Massachusetts are trumpeting the results of a recent survey that places the golf industry among the top money-makers in the Commonwealth.

The analysis, commissioned by the Massachusetts Golf Association (MGA) and the Association of Massachusetts Golf Organizations (AMGO) counts the sport's gross revenues at \$1.6 billion, equal to that of the state's hotel and lodging industry, and slightly ahead of trucking and warehousing, personal services, and the paper industry.

"I was surprised, excited and encouraged," said MGA executive director Tom Landry. "I thought we'd be fortunate to be at \$1 billion."

According to economic analyst Rick Norton of the National Golf Foundation (NGF), who conducted the study, Massachusetts comes in a surprising second in total golf output, trailing only California.

Cold little Massachusetts a golf hub? Here's why: manufacturing accounts for close to \$1 billion, or about two thirds, of the state's total golf-related sales. Acushnet Co. has doubled its Titleist and Pinnacle ball manufacturing facilities in Massachusetts over the past decade, while keeping some of its glove and Footjoy shoe plants here. Acushnet and Spalding Sports Worldwide, headquartered in Chicopee, Mass., account for close to 3,000 of Massachusetts' 9,000 full-time golf employees.

But just as important has been the game's growing popularity among people of all ages and income levels. The survey showed that 11 percent of Massachusetts' estimated 700,000 golfers come from households with annual incomes of less than \$25,000 and 13 percent of the state's golfers are under 19. According to the study, golf courses and ranges took in \$477 million, while service companies and retailers accounted for another \$180 million.

60 COURSES UNDER CONSTRUCTION

Meanwhile, the Massachusetts golf course business is burgeoning. Course construction has become a year-round, \$30-million business. Sixteen courses have opened in the state over the past two years and more than 60 courses are under construction, about half of which are slated to open in the next year.

Next spring, construction will begin on a \$20-million course designed by Arnold Palmer in Norton. Historic Plymouth is developing into a northeastern version of Scottsdale, with several courses by high-profile designers — Jack Nicklaus, Rees Jones and Jack Nicklaus, Jr. — slated to open in the next five years. All three courses will be part of the Pinehills residence and resort, a \$700-million development that will include a 250-room Marriott Hotel.

"We'd like to educate some of the lawmakers and regulators that golf is big business and a big component of the state's economy," said the MGA's Landry. "Another hope is that with 230 daily-fee, resort and municipal facilities, the state

might allocate money to the Massachusetts Office of Travel and Tourism to help promote the game."

The positive economic effects of golf have not always been recognized. Arizona Golf Association executive director Ed Gowan recalls that in the late 1980s, the state's farm industry tried to show that golf courses were an economic liability.

"In fact, the study showed that golf had four or five times the economic benefit per acre compared to any kind of subsidized farming," Gowan said. "Golf is not a one-time sale; it's an economic engine that builds on itself."

Today, golf is the fourth biggest industry in Arizona, Gowan said, and a large part of the state's real estate marketing efforts. Golf is a home-seller in Massachusetts, too. According to the MGA/AMGO study, golf course frontage increased home values by 15 to 30 percent in comparison with similar properties away from courses.

And, Gowan pointed out, golf is frequently an important money maker for municipalities. In the Cape Cod town of Dennis, two golf courses annually net close to \$900,000 for the town on \$2.6 million in gross receipts.

"We hope the state realizes they have a hidden jewel here," said James Craigie, president and CEO of Spalding Worldwide. "When you rack up the total benefits, the major sports teams only help the eastern part of the state, but golf's benefits are statewide. We don't have a team, like the Red Sox or the Patriots, but we do have one heck of a business, and we've all seen how big it can be."

Water shortage in China may threaten golf development

By ANDREW OVERBECK

BEIJING — Nowhere else in the world is the concern over the global water shortage hitting home harder than in China.

The northeastern part of the country is experiencing its fourth consecutive year of drought and Beijing's per capita water resources have dropped to 300 cubic meters, about one eighth of the national average. According to the June 26 issue of *Outlook* magazine, some 400 of China's 688 cities are facing water shortages — of that 100 are facing serious shortages. Shanghai, for example, which has water resources of just 760 tons, has been listed as one of the world's cities suffering from serious water shortages.

Further compounding water problems in China is demand and pollution. The country's ever-expanding population has more than doubled to 1.25 billion over the past 50 years. And according to Washington-based World Resources Institute, more than 30 billion tons of urban sewage is discharged

into China's rivers, lakes and seas each year, less than 2.7 percent of which is treated.

GOLF COURSE DEVELOPMENT

What does all of this mean for present golf courses and future development? The lack of plentiful and clean



Holes 10, 11 and an irrigation lake, fed by underground glacier rivers, under construction at Nelson and Haworth's Jade Dragon Snow Mountain Golf Course in China.

water supplies has lead builders, designers and developers to take serious measures.

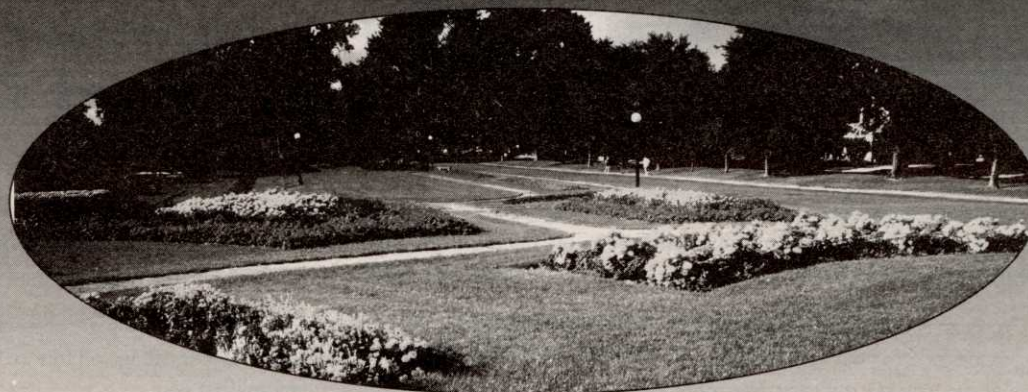
"Water is always a problem," said Mark Hollinger, principal of JMP Golf Design Group. "You have to anticipate problems and conjure up as much water as you can. Every project we have done in China since 1986 has been that way."

Stephen Alexander, who was in charge of building Sand River Golf

Continued on page 5

47th Rocky Mountain Regional Turfgrass Conference & Trade Show

NOVEMBER 29 - DECEMBER 1, 2000 / DENVER CONVENTION CENTER / DENVER, COLORADO



Proceeds from the 47th RMRTA Conference & Trade Show benefit the Rocky Mountain Turfgrass Research Foundation

For Attendee and/or Exhibitor information, please contact RMRTA at:

Phone: (303) 770-2220

Fax: (303) 770-1812

e-mail: rmrta@gwami.com

China's water woes

Continued from page 3

Club and Shenzhen Golf Club, agreed. "Water for irrigation in China is a major issue," he said. "In southern China rainfall is very important during the wet season and storage lakes need to be as large and as well-sealed as possible."

At JMP's new course at Yalong Bay on Hainan Island, developers are rebuilding an existing reservoir to store irrigation water. "There are five months out of the year that are dry, so we have a fluctuating lake edge," said Hollinger. "We had to design a series of terraced paddies along the holes that we can grow crops on as the water recedes during the summer."

Many courses, having been denied access to city water supplies, are now being forced to drill wells. "As the local governments are taking a more active role in the approval process," said designer Neil Haworth, "[courses] will need to use deep wells to go down into the ground water as a source. Our Snow Mountain course [in Li Jiang] will tap into underground glacier rivers."

However, elsewhere in China, the government has put restrictions on the use of well water. "We put down water wells at Sand River," said Alexander. "But the government restricted their use."

PASPALUM

In response to the government restrictions on well-water use, Alexander was forced to use a mixture of salt water and well-water for irrigation purposes. "This is one of the reasons that we chose paspalum," he said.

Paspalum is ideally suited to these situations because it can tolerate salinity.

According to Hollinger, with the water situation worsening paspalum is going to become the turfgrass of choice in China. "It is only going to get worse," he said. "Not only because you don't get the quantity you need, but because the condition of the water is just awful. That is why a lot of designers, including ourselves, are going to the paspalums. It tolerates not only the salt from the sea water but also the salts from the polluted water."

DEVELOPMENT SLOWDOWN?

Whether the growing water crisis in China will lead to a slowdown in golf development in the near term remains to be seen, but it is certain to eventually limit the amount of golf courses the country can sustain.

"I think as time goes by," said Hollinger. "You are going to find courses half built because the water isn't there. That will create some upheavals." ■

GOLF COURSE NEWS

Golf Property Analysts opens North Carolina office

ARAPAHOE, N.C. — Golf Property Analysts (GPA), a national golf-property consulting and appraisal firm based in Harrisburg, Pa., has established an office here in North Carolina to serve the Southeastern market, according to GPA president Laurence A. "Larry" Hirsh.

"The growth of golf, the

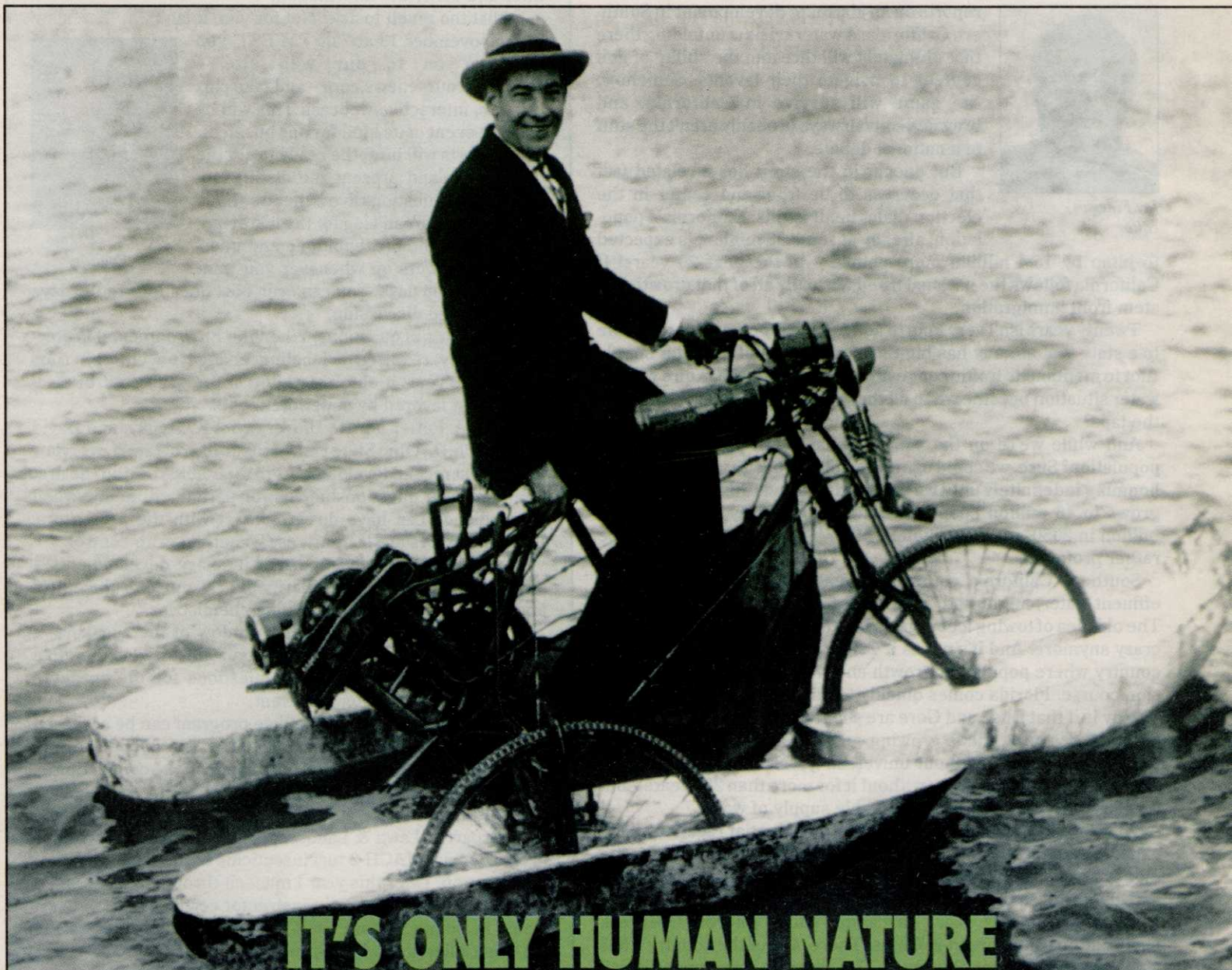
Southeast's burgeoning economy and strong residential and resort development have increased demand for the types of uniquely specialized services we can provide," said Hirsh. "The office in North Carolina will help us respond more effectively to this regional demand, which we have served in the past. As our

practice in the Southeast continues to grow, we plan to establish a Florida office in the not-too-distant future."

Alan M. "Mac" Harris, a native of Greenville, N.C., now represents GPA from the Arapahoe office. An eight-year associate with the firm, Harris is a certified general real estate appraiser

and is licensed as a broker in North Carolina, South Carolina and Pennsylvania.

Established in 1980, GPA's parent firm — Hirsh Valuation Group — engages in commercial, industrial, investment and recreational real estate property consulting and appraisal. Hirsh Valuation Group offers specialized services relating to golf, aviation and marina real estate properties.



IT'S ONLY HUMAN NATURE TO WANT THE BEST OF BOTH WORLDS.

Apply MACH 2® Turf Insecticide once before egg-hatch to prevent grubs all season long. Or apply shortly after egg-hatch to cure grubs up through the second instar. Make the choice that suits your schedule and resource availability. MACH 2 also controls key lepidoptera, such as cutworms, armyworms and sod webworms, making it one of the most versatile turf insecticides on the market.

And don't worry about watering MACH 2 in immediately. Unlike other products, MACH 2 can wait 2 weeks or more for you—or mother nature—to water it in without degradation of the active ingredient.

Prevent or cure with season-long control. Unmatched irrigation flexibility. Effective grub and lep control with an award-winning environmental profile. Only MACH 2 truly gives you the best of all possible worlds.

For more information, call 1-888-764-6432 ext. R3107, or visit our website at www.mach-2.com.

MACH 2
TURF INSECTICIDE

IT'S ALL YOU NEED TO PREVENT OR CURE.

©/RohMid L.L.C. Company ©2000
Always read and follow label directions.

PRESIDENTIAL GREEN CHEMISTRY CHALLENGE WINNER