

Industry bristles as GCSAA plans e-commerce

By ANDREW OVERBECK and JOEL JOYNER

LAWRENCE, Kan. — While months of speculation about who the GCSAA would select as its e-commerce partner ended in late April, the association's decision to team with XS Inc. and launch a pilot program has not pacified industry concerns.

Manufacturers, suppliers and distributors have all expressed objections to the GCSAA's Internet venture, with many questioning how the for-profit site meshes with the association's mission.

"I am not sure that this is something that they should have entered into in the first place," said an industry insider who preferred not to be identified for this story. "They are there to support and service the superintendent. But when you have other dot-com ventures out there in the market, some of which are members of the GCSAA, they have in effect become competition. A trade association should not be in competition with its own members."

The GCSAA defends its e-commerce experiment.

"This is a process that has been discussed by the board for the past two years," said the association's CFO, Julian Arredondo. "This originated from member surveys and we would not have done it if it were not consistent with our mission to make their jobs easier. We are still trying to discover if [e-commerce] is appropriate for our industry."

A GOLF SUPERMARKET

Raleigh, N.C.-based XS Inc., which had started laying the groundwork for its own turf-specific site this past fall (Sept. 2000 GCN), has gained an instant audience of 11,000 superintendent members by team-

ing up with the GCSAA.

"The audience was the value proposition for us," said Harry Albert, director of the company's specialty business unit. "Not only do you have more people who are aware that there is a commerce option out there, they are more willing to take the first step because they trust the GCSAA."

For the GCSAA site, XS Inc. has adapted its successful xsag.com model for the

golf course industry. The site will have two major sales components with free access for GCSAA members. The association has not decided whether non-members will have to pay a fee in order to participate.



Julian Arredondo



Harry Albert

The "net market" will consist of a list of products for sale at either fixed or negotiable cost. Sellers are not required to identify themselves to buyers on the net market.

The more traditional "storefront" section is designed for superintendents who are more comfortable doing business with vendors they know and trust. "A superintendent can come to their distributor's site and look at a list of products and buy from the site," Albert said. "They then work out the details of the sale and keep pricing between themselves."

For those companies already starting to explore Internet options, there is still a value proposition with the GCSAA site, according to Albert. "This is about gaining additional shelf space," he said. "There is no risk putting stuff on the net market."

Transactions on the net market will be charged a three-percent fee, and companies choosing to put up a storefront will pay a yearly hosting fee. The GCSAA will

share profits with XS Inc., but the association declined to reveal how that will break down. Arredondo said the profits will be injected back into the GCSAA to fund services such as government relations, research and education.

INDUSTRY VIEWS SITE AS COMPETITION

After being briefed by the GCSAA on April 17, many industry members came away feeling that the association was now competing in their business.

"This puts them in a competitor status, not a support status," said Brian Payseno, marketing communications manager for UHS. "I would understand if there was nobody in the market providing these services, but there are plenty of vendors out there. They need to carefully consider where they are going."

The GCSAA site's potential to make an end-run around traditional distribution is certainly seen as threatening.

"They are going to have to go back and rethink this," said an industry executive who wished to remain anonymous. "An e-commerce site with set prices could effectively cancel out all the distribution in the marketplace."

UHS's Payseno said that his company did not want to be involved in any e-commerce venture that does not embrace existing distribution channels. "The salesperson is the key in this because the superintendent values that relationship," he said. "They want someone who they can call on, someone who can support the sale they make."

Others are not thrilled about a transaction-based model and don't see the value in a hosted storefront.

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Superintendents skeptical about Internet venture

By JOEL JOYNER

KIAWAH ISLAND, S.C. — While the Golf Course Superintendents Association of America works with its industry members to shape its new e-commerce site, superintendents question the value and usefulness of the venture.

The site was launched just last month, but already some superintendents believe the GCSAA is moving too far afield from its core mission: educating golf course superintendents.

Internet service provider XS Inc. will operate the site and handle transactions, while the GCSAA will provide a membership foundation and collect a portion of the revenues from transaction and hosting fees.

"I don't feel that it is the business of a professional association to go into the business of selling goods," said Paul Eckholm, superintendent at the Heritage Links Golf Club in Lakeville, Minn.

"The GCSAA has its tag line,

"Dedicated to serving its members, advancing their profession and enhancing the enjoyment, growth and vitality of the game of golf," Eckholm said. "I don't see how this venture relates to any of those items. Since the passage of the PDI, I would think the association would have its hands full promoting its members and advancing the profession."



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TALK OF REBELLION

Steven Cook at the Oakland Hills Country Club in Bloomfield Hills, Mich., also has some doubts. "I applaud the GCSAA's proactive thought process, but my concern is the amount of staff time spent on these projects in relation to where those hours could be spent," he said.

"With the majority of superintendents not even connected to the Internet, it seems that we're using resources that affect a small portion of our members," said Cook. "We live and work in a three dimensional world, and I believe that personal contact with vendors is essential. The Internet is a two-dimensional media that pushes us further from each other. It's not something that appeals to me."

Cook takes it one step further, believing that the commercial venture drives a bigger wedge into the rift created among superintendents over PDI.

"I think the time will come, in the very near future, when another national golf course superintendents

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IGM bolsters its portfolio, adds four more Florida courses

KISSIMMEE BAY, Fla. — International Golf Maintenance (IGM) has expanded its domineering presence in central Florida, padding its portfolio with four more course maintenance contracts.

The Kissimmee Bay Country Club, located here, and the Twin Rivers Golf Club in Oveido, just north of Orlando, have both signed maintenance agreements with IGM. So have the Pebble Creek Golf Club and Walden Lake Golf & Country Club in the Tampa region.

The company will provide complete course maintenance services for the semi-private, Lloyd Clifton-designed Kissimmee Bay course. Tony Crawford, general manager of the 18-hole layout, expects the company to give the facility an edge above the competition. "The Kissimmee-St. Cloud market is a competitive one," Crawford said. "We're relying on IGM to bring its extensive resources to the course."

IGM also takes responsibility for maintaining the 18-hole, Joe Lee-designed Twin Rivers course. The layout encompasses two rivers and 340 acres of mostly environmentally protected land.

"By working with a pre-determined maintenance budget, IGM brings focus to the course without the responsibility

of managing other areas of operation, such as sales," said Dan Gillen, course superintendent. "This also helps my relationship with the general manager by easing our budgeting issues."

72,000 ROUNDS A YEAR

The Walden Lake Golf & Country Club, a 36-hole facility located in the upscale



View of the Walden Lake G&CC in Plant City, Fla.

Walden Lake community of Plant City, features The Hills and The Lakes layouts, both designed by Jack Nicklaus and Ron Garl.

With nearly 72,000 annual rounds of play at the facility, superintendent Greg Boltz is looking forward to utilizing additional resources in maintaining the 1970s-era courses. "The challenges are numerous," said Boltz. "With IGM's resources,

we will be able to maintain the courses at a level of condition and playability we prefer."

The Pebble Creek Golf Club, the centerpiece of a Tampa subdivision called Pebble Creek, is a semi-private, 18-hole course. It hosts The Snowbird Intercollegiate Invitational, which brought more than 150 female golfers to the course this year, including teams from the University of Indianapolis, Yale and Notre Dame.

KNOW-HOW FOR SOUTHERN TURF

From personnel to equipment issues, the Lakeland, Fla.-based IGM develops maintenance programs that incorporate all the resources necessary to meet agronomic needs. "Our experience in maintaining Florida courses has given us in-depth knowledge of the requirements of southern turf," said Scott Zakany, executive vice president.

"With the staff and resources to support maintenance programs based on sound agronomic practices, IGM is going to make all four courses known for exceptional playing conditions," he said.

IGM, a subsidiary of Meadowbrook Golf Group, contracts with more than 40 golf courses and country clubs, making it one of the largest service companies in the contractual maintenance business.