

# National Golf proposes merger with American Golf

SANTA MONICA, Calif. — National Golf Properties announced tentative plans Feb. 13 to merge with its financially troubled partner and primary tenant American Golf Corp.

The announcement follows National Golf's earlier decision to suspend dividend payments. The company's stock has fallen more than 60 percent since mid-August.

The proposed merger is already facing potential roadblocks, however. Two class action lawsuits protesting the merger as financially and ethically unsound — sentiments that have also been echoed by numerous Wall Street analysts — have already been filed in United States District Court for the Central District of California.

The deal would combine American Golf and its affiliates Golf Enterprises, Inc., and European Golf, LLC. The combined company would be the largest publicly traded golf owner and

operator with a portfolio of more than 300 courses in the United States, United Kingdom, Japan and Australia.

"This powerful combination allows National Golf and American Golf the opportunity to maximize the multiple strengths of all the combined companies on an international basis with the

goal of creating and growing the finest and most successful golf company in the world," said David Price, National Golf's chairman and a majority shareholder of American Golf.

National Golf's recently appointed independent committee will manage the proposed transaction. The company hopes to

close the deal by the end of the second quarter, but several conditions need to be met before the transaction becomes final.

While definitive terms of the proposed transaction have not been finalized, National Golf anticipates that current equity holders of American Golf will receive shares in a class of non-dividend

yielding preferred stock. In the meantime, National Golf has deferred current rental obligations of American Golf through March 14, 2002. As part of the deal, National Golf will also be seeking a major new equity investor in the combined company.



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# Rain Bird teams up with Lesco

AZUSA, Calif. — Rain Bird's Golf Division and Lesco, Inc. have formed a limited distribution agreement that will make Rain Bird's ESR 70/90 and Eagle 700/900 rotors and replacement parts available to golf courses nationwide through Lesco.

The agreement, which became effective Jan. 15, will allow golf courses to purchase replacement



*Lesco's display for Rain Bird's products*

rotors through Lesco's 78 Stores-on-Wheels. According to Rain Bird, the distribution plan will give courses immediate access to the most common rotors, parts and tools.

In preparation for the launch, Lesco's entire fleet of Stores-on-Wheels is being re-merchandised with replacement parts, support literature, and rotor stocking assortments to accommodate the new Rain Bird rotor display. In addition, Rain Bird is providing training for the ESR and Eagle rotor product lines to Lesco's golf sales associates.