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If you can't beat it, imitate it

By imitating the behavior of Poa annua and seeding more bentgrass, superintendents could beat the notorious pest at its own game 7

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Architects Jeffrey D. Brauer and Bob Lohmann debate whether to renovate all at once or to spread out the work.

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COUNTERPOINT

ITT acquires Flowtronex PSI

By ANDREW OVERBECK

WHITE PLAINS, N.Y. — Global conglomerate ITT Industries acquired privately held Flowtronex PSI Aug. 19 as part of its plan to expand into the golf course and turf irrigation markets. Terms of the deal were not disclosed.

With Goulds Pumps under its corporate umbrella, ITT already has an experienced pump manufacturer. The company expects that its acquisition of Flowtronex will allow it to become a leading provider of pump station and irrigation products to the golf and turf industries.

"ITT recognized that Flowtronex has a leadership position in the golf course and landscape irrigation markets," said ITT's Water Technologies Group president Doug Binger. "Flowtronex is a leader in technology and product development and has excellent manufacturing facilities and processes that fit well into the ITT organization."

Binger said ITT is focused on providing a "total solution" for customers.

"ITT has strategic focus on growing the businesses in water supply market segments adjacent to those now served by Flowtronex. From the bottom of a well or reservoir to the point of application, opportunities exist for us to provide all of

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Munis face challenges from many fronts



The Arthur Hills-designed Black Gold Golf Club in Yorba Linda, Calif., is projected to exceed expectations in its first year in business.

By DEREK RICE and ANDREW OVERBECK

More so than other types of courses, municipal golf courses face challenges from many directions. Residents want to be sure their tax money is being spent wisely, while owners of other courses in the area want to be sure they aren't getting squeezed out of the market by an owner — namely a city, county or state — with deep pockets.

Occasionally, local owners will call on their local chapters of the National Golf Course Owners Association (NGCOA) for help in opposing municipal projects if they feel the municipality is acting irresponsibly, according to Curt Walker, executive secretary of the Midwest chapter of the NGCOA.

"There are pockets of respon-

sible and irresponsible proposals, and I think plumbing those is the job of owners in that particular market," Walker said. "If they then decide to ask for help in opposing those enterprises, various forms of help are available to them."

More than once, Walker has been asked to get involved in such a debate, but always on the local level, since, as he said, municipal golf by its very definition implies locality.

"I really don't think municipal golf is a generic term. It is a local term, and each situation probably has a unique analysis, a unique discussion and a unique concern to owners in that market," Walker said.

While there is no real generalization of municipal golf as either good or bad, there are many examples of

specific projects that have gone both ways. On the down side is North Links Golf Course in North Mankato, Minn., which Walker has called

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Goldman nears NGP acquisition

Firm apparently wins bidding war for company

By DEREK RICE

SANTA MONICA, Calif. — It appears National Golf Properties Inc. (NGP), the golf course ownership company that has been negotiating to merge with its largest tenant, American Golf Corp. (AGC), has found the savior it has been seeking. According to a published report, which has been confirmed by an industry source, a real estate fund run by Goldman Sachs has prevailed in a bidding war for NGP that also included Westbrook Partners and Blackstone Group.

Spokespeople from NGP and Goldman did not return calls seeking comment on the deal.

According to sources, Goldman's Whitehall real estate fund has teamed with Starwood Capital Group, a buyout firm run by Barry Sternlicht, chairman of Starwood Hotels and Resorts Worldwide Inc.

Both Goldman and Starwood

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Environmental Golf changes name, looks to grow

By ANDREW OVERBECK

CALABASAS, Calif. — In a move to consolidate branding and marketing, Environmental Industries has changed its name to ValleyCrest Companies. The company's golf maintenance division, Environmental Golf, is now ValleyCrest Golf Course Maintenance.

Environmental Industries grew out of ValleyCrest Landscape Nurseries, which was founded in 1949. The company returned to its roots to reflect its comprehensive portfolio of landscape services. The change was made effective Oct. 1.

In addition to ValleyCrest Golf Maintenance, the company is in-

involved in the nursery, tree, landscape and construction management business. The ValleyCrest Companies have more than 7,000 employees and have posted revenues in excess of \$600 million.

"Consolidating under one name shows that we are capable of performing any type of horticultural service within one company," said ValleyCrest Golf Maintenance business development director Terry McGuire. "There is no operational change as far as we are concerned.



Terry McGuire

We will not reorganize our staff and we will function within the same line of work. From a perception standpoint, however, the name change will bring a lot more value and equity to our company." ValleyCrest, however, will retain rights to the Environmental Golf name.

DOUBLING GOLF BUSINESS IN NEXT 12 TO 18 MONTHS

McGuire said he initially resisted the name change because he believed "environmental" was such a powerful watchword in the golf

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NGP acquisition

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are also involved with Scottsdale, Ariz.-based Troon Golf. According to Dana Garmany, Troon's chairman and CEO, Troon's involvement with the transaction has been minimal.

"We really can't comment on what we think the Goldman/Starwood guys are doing,"

Garmany said. "Since those guys are shareholders and sit on our board, we've given them some advice and helped them a little bit with underwriting, but we haven't done anything more than that and don't plan to."

"All we've really done is tried to show them how to look at certain assets and how to look at certain markets," he added. "Beyond that, we wish them well because we

don't do what they do, so I don't think there's any conflict if Goldman has that and has a part of us as well."

An anonymous source quoted in the L.A. Business Journal indicated the deal was likely to occur before the end of September. If completed, the subsequent stock buyback would allow Goldman to take the publicly traded NGP private, which would enable the

company's proposed merger with AGC to be completed without opposition.

In April, NGP announced it would merge with AGC and then seek equity investment in the combined company. Large shareholders, including Los Angeles-based Cliffwood Partners LLC and San Francisco-based Farallon Capital Management, have opposed the deal, saying that AGC's debt load would cripple the

combined company.

The timing of the deal is crucial for NGP and AGC founder David Price, who in July pledged 3.6 million NGP shares as collateral for AGC's loans. Price also pledged a second deed of trust on his Mountaingate Country Club as collateral. Under the deal, the shares must be replaced with cash by Oct. 15. At press time, the deed of trust was to have been replaced with cash by Sept. 30. ■

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1 My primary title is: (check one only)

- ☐ A. Golf Course Superintendent
- ☐ F. Course Owner
- ☐ L. Golf Course Management Company Executive
- ☐ B. Green Chairman/Grounds Director
- ☐ C. Director of Golf/Head Pro
- ☐ D. Club President
- ☐ E. General Manager
- ☐ K. Assistant Superintendent
- ☐ G. Builder/Developer
- ☐ H. Architect/Engineer
- ☐ I. Research Professional
- ☐ Z. Others allied to field: (please specify) _____

2 My primary business is: (check one only)

- ☐ 21. Public Golf Course
- ☐ 22. Private Golf Course
- ☐ 23. Semi-Private Golf Course
- ☐ 24. Municipal/County/State/Military Golf Course
- ☐ 25. Hotel/Resort Course
- ☐ 26. Par 3/Executive Course
- ☐ 27. Practice Facility
- ☐ 29. Other Golf Course (please specify) _____
- ☐ 30. Golf Course Management Company
- ☐ 31. Golf Course Architect
- ☐ 32. Golf Course Developer
- ☐ 33. Golf Course Builder
- ☐ 39. Supplier/Sales Rep
- ☐ 99. Other (please specify) _____

3 Number of holes:

- ☐ A. 9 holes
- ☐ B. 18 holes
- ☐ C. 27 holes
- ☐ D. 36 holes
- ☐ F. More than 36 holes
- ☐ Z. Other (please specify) _____

4 Purchasing involvement: (check all that apply)

- ☐ 1. Recommend equipment for purchase
- ☐ 2. Specify equipment for purchase
- ☐ 3. Approve equipment for purchase

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Financing options

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factors combined with several others have caused industry borrowers and most regional and local banks to cut way back on what they're willing to loan on a project."

While Marderosian said he thinks the industry will eventually right itself, for now, borrowers and lenders have to be cautious and creative.

"Our primary focus is to serve developers and borrowers, so it is incumbent upon companies like ours to come up with creative options and to source new, fresh additional capital in order to fund good projects," he said. "The lack of capital today will really slow down the pace of development in all but the stronger markets. And that's not a bad thing."

When seeking financing, Marderosian said, borrowers are most often better served by a company that knows the golf business than by a traditional lender.

"We look under the rocks a whole lot more closely because that's our expertise," he said.

One of Clubhouse Capital's strengths, Marderosian said, is turning troubled assets around, which, unfortunately, could become a larger part of the company's business in the near future.

"There's going to be many more (troubled courses) in the next 12 to 18 months," he said. The company recently foreclosed on a Florida course that was in default. ■

Trump's new course

Continued from previous page

Trump will have to petition the California Coastal Commission.

According to Ocean Trails manager Ewa Hyjek, the commission requires the property, which also includes a park and nature trails, to be open to the public from dawn to dusk.

Terms of the deal, which should be finalized later this month, were not disclosed. Trump also owns two high-end private clubs, Trump International Golf Club in Palm Beach, Fla., and Trump National Club in Westchester County, N.Y.

Also not made public was the amount Trump plans to spend to bring Ocean Trails back to its original 18-hole layout. As a measuring stick, according to Reuters, Trump spent \$40 million and \$30 million improving his Florida and New York courses, respectively. ■

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