

GOLF COURSE NEWS

THE BUSINESS NEWSPAPER FOR THE GOLF COURSE INDUSTRY

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Superintendents Steven Cook and Timothy T. O'Neill debate the merits of changing the GCSAA's articles of incorporation.

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COUNTERPOINT

Redstone GC ready for '03 Tour stop

By DEREK RICE

HOUSTON — After a couple false starts due to bad weather in Houston, Redstone Golf Management was finally able to open its



Dick Harmon

first 18-hole course at Redstone Golf Club in early December.

Designed by Jim Hardy and Peter Jacobsen,

the course will host the 2003 Shell Houston Open two weeks after The Masters. A second 18-hole course, designed by Rees Jones, is currently in progress and is expected to open in fall 2004. The Jacobsen/Hardy course will be private, while the Jones course will be open to the public. The Shell Houston Open will move to the Jones course in 2005.

Jacobsen and Hardy turned the existing course at Redstone GC into a 7,508-yard course. Upon completion of the Jones course, the facility, which also includes a 31,000-square-foot teeing area for

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Audubon sets 50 percent goal for 2007



Audubon International helps create protected natural areas on golf courses, such as this one at Keswick Club in Virginia.

By ANDREW OVERBECK

SELKIRK, N.Y. — Audubon International has unveiled an ambitious membership drive to attain 50 percent participation from the 17,000-plus golf courses in the United States over the next five years.

Currently 13 percent of the courses across the country have joined either the Audubon Cooperative Sanctuary Program or the Audubon Signature Cooperative Sanctuary program. Two percent of all courses in the U.S. have achieved Certified Audubon Cooperative Sanctuary status.

"This is an ambitious effort,"

said Kevin Fletcher, director of programs. "Now is the time to be bold and make this happen."

The plan has five objectives, said Fletcher:

- Make sure that all 17,000-plus courses know the Audubon International program exists.
- Find out why those who know about the program have not joined.
- Do a better job of explaining the benefits of the program to the environment, job satisfaction and overall golf course budget.
- Dispel any myths about the program and its difficulty.
- Work more with the industry

as a whole by communicating more with golf course managers, owners, management companies, developers and suppliers.

WHY HAVEN'T MORE JOINED?

At the core of the membership initiative is figuring out why

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GCSAA TO TACKLE LONG LIST OF INITIATIVES

LAWRENCE, Kan. — The last 18 months have been anything but quiet at the Golf Course Superintendents Association of America headquarters here. From introducing an e-commerce venture, to proposing a dues increase, to studying the relocation of its headquarters, the association has kept busy. Budget shortfalls and slipping numbers for the upcoming show in Atlanta have added to the organization's growing to-do list.

Golf Course News recently caught up with GCSAA CEO Stephen F. Mona to discuss the association's list of initiatives and ongoing challenges.



Stephen F. Mona

Golf Course News: Where does the GCSAA want to be in five years?

Mona: We have five specific goals that we want to achieve by 2007. Number one, we want the superintendent to be viewed as the key to the economic vitality of the golf facility. Second, we want the

superintendent to be viewed as a key to the enjoyment of the game. Third, we want the GCSAA to be viewed as one of golf's leading organizations. If we have high visibility and credibility, than so do superintendents. Fourth, we want to be seen as the authoritative source for information and continued education for the golf course management profession. And finally, we want to be recognized as a leader in helping golf courses make a positive impact on the environment.

GCN: How do you respond to the criticism from some members

Continued on page 13

Gotham Golf merger hits snag in court

By DEREK RICE

NEW YORK — The long-planned and now shareholder-approved merger between First Union Real Estate Equity and Mortgage and Hershey, Pa.-based Gotham Golf Corp. hit a snag in early December when the New York Supreme Court for New York County granted an injunction blocking the transaction.

At issue is compensation for preferred shareholders vs. that for common shareholders. One preferred shareholder, George Kimmel, filed a lawsuit in April seeking class-action status.

Under the original plan, First Union shareholders

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Marketing need

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more attractive, said Roberta Olden of Desert Willow's marketing department.

"Using the P420 on premises to make ID cards eliminates golfers having to provide extra documentation every time they come in," Olden said. "The plastic cards look more professional and the Eltron printer allows us to immediately print a new member's card, and is very cost-effective and easy to use."

Allison said these types of pro-

grams are a great start, but should not be the end-all of a program.

"Loyalty is the name of the game, but it's not just about presenting a frequency card," Allison said. "It's about building a relationship with a set of customers."

Olden said Desert Willow recognizes this need to build relationships and, to that end, envisions using the ID cards for much more than temporary memberships. One

possibility the course has explored is to provide cards to Palm Desert residents to allow them to play golf at a reduce rate year-round.

Marriott, which owns and operates 27 courses across the United States, recognized the need for a marketing initiative relatively early in the game.

In 2001, the company initiated its Yard Card program, which offers incentives for repeat play,

as well as an e-mail club to reach out to potential customers.

"Both programs have worked extremely well," said Steve Hupe, director of golf at Marriott's Stone Mountain Golf Club. "With the e-mail club, we send out monthly, personalized golf special e-mails designed to increase rounds during slow periods. The Yard Card is patterned after the Subway sandwich card in that a golfer who pays the full

rate during the week receives a stamp on their card. After five stamps, the golfer earns a complimentary round any day of the week."

The bottom line for courses, Allison said, is to recognize that a marketing budget is no longer a frill in the golf business.

"Courses haven't been used to budgeting in those costs, but they are critical right now," she said. "It's a necessity for survival." ■

Gotham merger

Continued from page 1

who opted to receive all cash for their common shares would be paid \$2.33 a share. Those who opted to receive cash and an interest in a note would receive \$1.98 and 1/174th of a note with face value of \$100.

The problem with that deal, Kimeldorf claimed, is that there is no distinction between common and preferred shareholders. Preferred shareholders are those who made a \$25 per share investment in the company in 1996. Kimeldorf and others claim the company must redeem that initial investment.

In an attempt to salvage the merger, Gotham offered an olive branch of sorts to preferred First Union shareholders by pledging \$25 million in collateral for any damages from the pending lawsuit. The money would be put in an escrow account, which would be subject to completion of a definitive agreement.

The amended merger plan also called for preferred First Union shareholders to receive \$2.50 in total compensation for each share, less an amount from ongoing litigation costs. They would also receive preferred shares in Gotham Golf, which would have the same \$25 face value.

Common shareholders, on the other hand would receive \$2.13 a share, which is less than the \$2.33 they approved at a special meeting during the last week in November.

In a related move intended to complete the merger, Gotham Golf chairman William Ackman stepped down as chairman of First Union's board of trustees, a position he has held since 1998.

In a statement, Ackman said his resignation accomplished several goals, including the appearance of conflict of interest.

"My resignation will make clear to First Union shareholders and the investing public ... that the decisions of First Union with respect to the proposed transaction are made by a board of trustees that is completely independent of Gotham Partners or me," he said.

At press time, Ackman was unavailable for comment. ■



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
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