

Supply grows slowly

At the end of 2004, the number of golf facilities tallied was 16,057, breaking the 16,000 mark for the first time, according to the National Golf Foundation. Because a golf facility might contain one or more nine- or 18-hole courses, another way to measure golf supply is in 18-hole equivalents. There were 14,988 18-hole equivalents at the end of last year. There were 150.5 course openings and 63 closings for a net gain of 87.5 courses. The .5 counts for a nine-hole course. This is a growth rate of about one-half percent.

Of the new courses, 102.5 are open to the public, and 48 are private, according to NGF. Real-estate courses accounted for 88.5 tracks (59 percent) that opened during 2004. Additions to existing courses accounted for 28 openings, and there were 122.5 completely new courses. The number of courses under construction as of Dec. 31, 2004 is 320, another 409.5 are in the planning stages, and 261 courses have been proposed. The first chart below is a golf development summary of 18-hole equivalents for 2004.

About 150 18-hole equivalents opened in 2004, not including reconstructions; and another 670.5 were in planning or proposed at year's end. In planning means the project is within six months of start, specifications are being written and key product decisions are being made. Proposed means the project is being contemplated, the owner is identified and plans are in a state of refinement. The second chart below shows that all phases of course development have decreased since the late 1990s. GCN

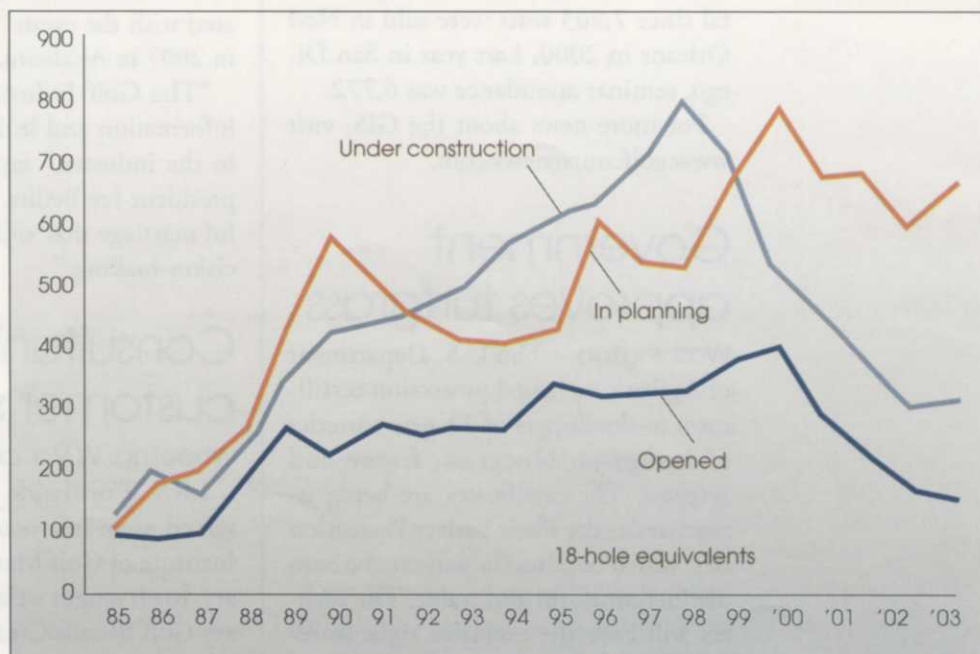
2004 golf development summary - 18-hole equivalents

Type	OPEN			UNDER CONSTRUCTION			IN PLANNING			PROPOSED			TOTAL COURSES UNDER DEVELOPMENT
	New	Expansion	Total	New	Expansion	Total	New	Expansion	Total	New	Expansion	Total	
Daily fee	71.5	15.5	87	152.5	57.5	210	256	36.5	292.5	166	27	193	782.5
Municipal	13.5	2	15.5	20	4	24	36	5.5	41.5	37.5	5.5	43	124
Private	37.5	10.5	48	70.5	15.5	86	64.5	11	75.5	18.5	6.5	25	234.5
Totals	122.5	28	150.5	243	77	320	356.5	53	409.5	222	39	261	1,141

Figures do not include courses classified as reconstructions. • 15 nine-hole, 37 18-hole and one 27-hole reconstructed courses reopened in 2004. • 25 nine-hole and 40 18-hole reconstructed courses were under construction as of December 31, 2004. • Source: National Golf Foundation

Ups and downs

Since 1985, new golf course openings gradually increased and peaked in the late 1990s. From 2000 to 2003, the number of new golf course openings declined rather sharply. However, the industry experienced a slight increase of openings in 2004 and is expected to experience another slight increase in 2005.



Source: NGF course construction database