

# Off The Fringe

## Business briefs

### NGCOA, NGF team up for study

The National Golf Course Owners Association (NGCOA) and the National Golf Foundation (NGF) have joined forces to conduct a national study of golf facility rounds played. The study is underway and results will be available in April.

"The NGCOA/NGF study of rounds played will be the official measurement of this important business indicator for the golf industry," said Ruffin Beckwith, senior vice president of golf development for the World Golf Foundation.

The effort has received the support of numerous leading golf course management companies, including Dallas-based ClubCorp. Jim Hinckley, president and chief operating officer of ClubCorp, played a major role in bringing the study together. "The industry has needed a more comprehensive assessment of the golf facility business for some time, and now with this effort we will have it," said Hinckley, who co-chaired an NGCOA task force addressing the need.

Mike Hughes, executive director of the NGCOA, said his organization's interest in the study stemmed from requests from his members for a better measurement of rounds played, a critical indicator of the health of the golf facility business. "Teaming up with the NGF made perfect sense given our broad membership base and their research capabilities," he said.

### Toro upbeat about first quarter

Bloomington, Minn.-based The Toro Co. said in January it expects to be profitable during the first quarter of fiscal 2002, excluding one time charges, and exceed current analyst expectations. The company previously said it expected a loss of 20 cents per share.

*Continued on page 16*

## Golf's Bigwigs Evaluate the Industry

By Larry Aylward, Editor

**T**he room was packed with golf course owners and other curious conference attendees. Their eyes were focused on the four finely dressed gentlemen seated at a table in the room's front.

It was probably one of the most widely attended meetings during the National Golf Course Owners Annual Conference & Trade Show, held in January in Phoenix.

Leaders from Marriott Golf, LinksCorp LLC, Troon Golf and American Golf Corp. were on hand to give their takes on the industry's economic status.

The bigwigs spoke about their companies and a difficult 2001 before talk turned to 2002. Bob Blake, president and CEO of Bannockburn, Ill.-based LinksCorp, didn't sugarcoat his feelings about the future. Citing recent statistics, Blake noted that of the country's 26 million golfers, about 26 percent are avid golfers who play 25 or more rounds a year. Those avid golfers, however, play about 78 percent of all rounds. "That's scary," Blake added.

Overall, Blake noted that 15 percent of the 26 million players are the "key drivers" of the game. "That's frightening," he said.

Obviously, the industry must gain more rounds from occasional golfers in addition to attracting new players. But Blake said courses must also take care of that 15 percent base with the utmost service because those golfers can make or break you.

Dana Carmany, chairman and CEO of Scottsdale, Ariz.-based Troon Golf, agreed, noting that it's easier to keep current customers happy than to

attract new golfers. Carmany said resort areas will continue to have a challenging year, but he remains upbeat about the industry as a whole. "There have been bad times before, and there will be good times ahead," he said.

Kevin Stockford represented Orlando-based Marriott Golf. Stockford, director of golf for Wildfire GC at Desert Ridge in Scottsdale, Ariz., said the fear of flying caused by the terrorist attacks is over, but the economic downturn the attacks helped cause is not. "People will get on the flights, but they don't have the money to do so," he said.

If there's one thing golf course owners shouldn't do when times get tough is offer a blue-light special, Blake warned. He said LinksCorp has determined that lowering green fees seldom

**"There's an upturn coming, and we will be the beneficiaries of it."**

DANA CARMANY  
TROON GOLF CEO

increases rounds and volume of golfers to generate the appropriate revenue. "This is one of the biggest challenges facing the industry," he added.

Stuart Hayden, executive vice president of American Golf's Western Operations, replaced AGC co-CEO David Pillsbury on the panel. AGC has been in the news for its financial troubles. Reports late last year said AGC was having trouble paying its rent to its sister company, National Golf Properties (NGP). Hayden said AGC took a hit last year, especially in resort areas like Las Vegas, where rounds were down 25 percent.

"We were forced to take some dramatic action," Hayden said. "We laid off about 300 people at the end of December and the beginning of January."

Soon after the NGCOA show on Feb. 13, NGP announced it was merging with AGC. Upon completion of the proposed merger, the combined company will be the largest publicly traded golf management company.

## Peer Pressure? What Peer Pressure?

### SOUTHAMPTON GC SUPERINTENDENT HAS SIX SUPERINTENDENTS AS MEMBERS

By **Todd Stumpf**

**A** 3-foot downhill slider on the 72<sup>nd</sup> hole of the U.S. Open? Can't get more pressure-packed than that. Unless you're Elton Etheridge. Then it's a tap-in. In fact, just pick it up. It's good.

They say the toughest performance is one delivered in front of one's peers. Etheridge, 62, has been superintendent at Southampton GC in Southampton, N.Y., on Long Island for 28 years. For several years, his course has been home to six superintendents who have memberships at Southampton.

"It's an odd situation," Etheridge concedes. "They don't play here all that much, but it's still odd."

Regardless of who might be playing, Etheridge does his best to keep his 7,000-yard Seth Raynor-designed golf course in top shape. He brushes aside the notion of pressure, refusing to think about what his closest critics might be saying.

"I would think about it all the time," says Bob "Hook" Williams, superintendent at the Maidstone Club in East Hampton, N.Y., and a member at Southampton. "But it doesn't seem to bother Elton at all. That's probably because he does such a fantastic job."

Another member, Karl Olson, superintendent at the National Golf Links of America, also in Southampton, echoes that sentiment. He spun a tale of the club's championship,

*Continued on page 16*

## Quotable

**"It's the first time in my life that anybody has been victorious toward the IRS."**



— Mike Hughes, executive director of the National Golf Course Owners Association, on the new IRS rule that allows owners to claim the cost of modern golf green construction as depreciating assets.

**"The patricians of the USGA aren't making decisions for the good of the game."**

— Unbiased Acushnet CEO, Wally Uilhein, on USGA's recent attempts to begin to curb club size and ball flight. (*Sports Illustrated Golf Plus*)

**"It runs between an 8 and a 9 on the Stimpmeter. I know it sounds crazy, but he's shown a lot of natural golf ability, and I want to encourage it."**

— Robbie Curtis, of Beverly Hills, Calif., after replacing the wall-to-wall carpeting in the bedroom of his 9-year-old son, Dillon, with an artificial turf putting green. (*Golfweek*)

**"The effort we witnessed in the aftershock of the World Trade Center collapse reminded us of how dependent we are on the protection and responsiveness of these unsung heroes in our communities. The 9-11 Initiative is our small way of showing our appreciation for their readiness and their ongoing contribution to our safety and well-being."**

— KemperSports Management CEO Steve Lesnik on the company's 9-11 Initiative that calls for firemen, policemen and military to receive a 50-percent discount on greens fees at all KemperSports owned and leased courses in 13 states.