

# Off The Fringe

NEWS WITH A HOOK

## Business briefs

### Borman going back to Carolina

Chuck Borman, who joined the GCSAA as its chief operating officer in 2001, will leave the association to return as executive director of the Carolinas GCSA, beginning March 1.

Borman had previously been the executive director of the Carolinas GCSA before joining GCSAA.

"I really thought I would be a great fit for this position when I accepted it last year," Borman said. "Once I got here, I realized the scope of the job was bigger than I expected, with a faster pace. I decided it was more than I wanted to do at this stage of my career."

Borman said he felt he was a better fit for a smaller organization like the Carolinas GCSA. His only regret was that now the GCSAA would have to undergo the hassle of looking for a COO for the second time in two years.

"I'm fortunate that at my new job, I will still be associated with the GCSAA," Borman said. "This move will allow me to return to a job I loved and remain affiliated with a great national organization as well."

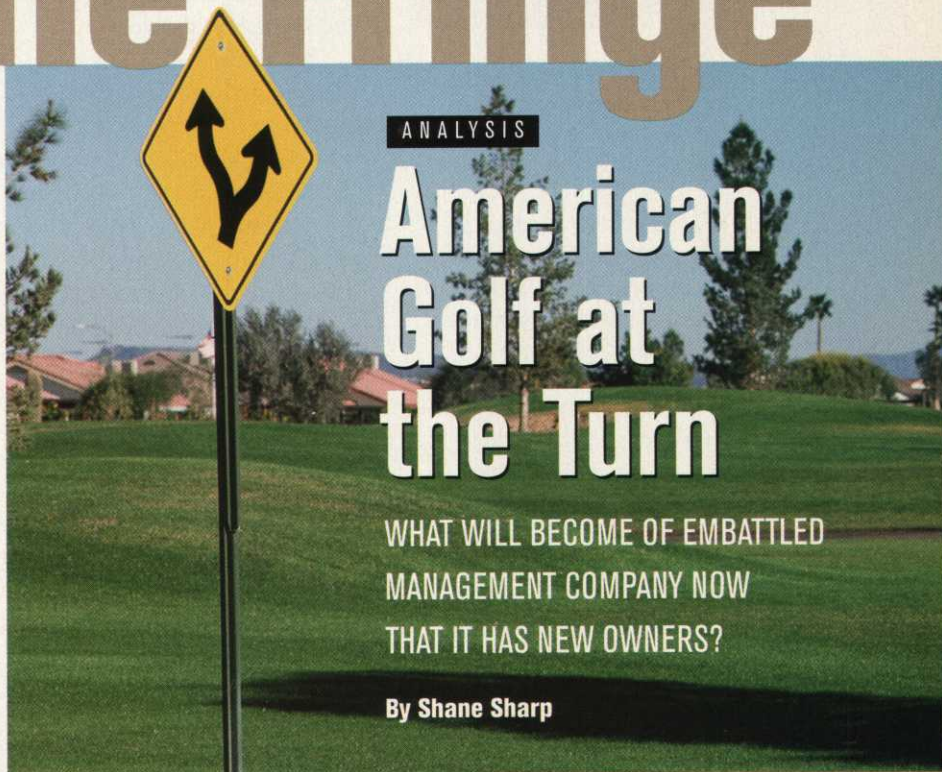
Steve Mona, GCSAA's CEO, did not put a timeline on replacing Borman, noting that it is standard procedure to evaluate all open positions before conducting a search.

### Nicklaus coming to Hong Kong

Jack Nicklaus is moving to Hong Kong. Well, not really. Nicklaus Design, the family-based business founded by Jack and supported by his four sons and his son-in-law, is opening an office in Asia under its Nicklaus Design Asia wing.

The firm is working in association with Panorama Worldwide LTD, which will assist with certain marketing and sales programs for golf course design and field support ser-

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ANALYSIS

## American Golf at the Turn

WHAT WILL BECOME OF EMBATTLED  
MANAGEMENT COMPANY NOW  
THAT IT HAS NEW OWNERS?

By Shane Sharp

**O**utside of my chosen profession, I am a glass-is-half-full person when it comes to golf courses. I search for the ray of hope in any golf course when I am not searching for my ball. If the conditions are commensurate with the price, and the service in the pro shop and around the course rivals or exceeds that at my local neighborhood bar, I will go quietly about my business of hooking drives and three-putting.

Yet it has become impossible for me to apply this philosophy — try as I might — to golf courses managed by American Golf Corp. (AGC). It's not that I have sampled many of its facilities because I haven't. But many golfers have, and they e-mail me time and time again to let me know how disappointed they were with their entire experiences.

This basic issue, according to the dozens of e-mails I received over the past year and hundreds of posts in

golf-related chat rooms and message boards across the Internet is this: AGC is taking over perfectly good golf courses and ruining them.

Allegedly, AGC is buying up leases across the country for chump change, lowering the bottom line by paying its employees like fast-food workers and conditioning its courses like Scottish sheep farms. In the process, AGC is saving its clients big bucks and seemingly teeing off a majority of the golfing population.

The question is: With the recent purchase of AGC and National Golf Properties by an investor group comprised of Goldman Sachs and Starwood, will anything change?

Common sense and the laws of competition tell us that not all of American Golf's more than 300 golf facilities are overpriced goat ranches, or golfers simply wouldn't return to the scene of the crime on a daily basis. In fact, some American Golf-

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EYEWIRE

## Business briefs

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vices in the territory. Beginning Jan. 1, the Nicklaus Design-Panorama Worldwide association will have full-time representatives based in Hong Kong. They will serve existing clients in Beijing, as well as additional clients in Japan, Vietnam, Thailand and Korea.

Nicklaus Design has about 55 golf courses spread across Asia, including 23 in Japan and 12 in China. They have another three in Asia under construction or under design.

"Our primary focus is to expand efforts in China over the next few years," said Tim Kenny, senior vice president of Nicklaus Design.

### **Basamid registered in Arizona**

Basamid, the granular soil fumigant from BASF Turf and Ornamental, was recently granted registration in Arizona.

BASF says a single application of Basamid penetrates deep into soil to eliminate weeds, nematodes, grasses and turf disease quickly. Reseeding in the sterilized soil can begin in 10 to 12 days.

In another company matter, BASF AG, parent company of BASF Turf and Ornamental, reported third-quarter net profit of \$248.7 million, double what it earned in the same period last year. Sales rose 5.3 percent to \$7.59 billion, slightly above market forecasts. For 2002, BASF now expects to grow operating profit before exceptional items by 15 percent, with full-year sales to remain unchanged at around \$32 billion.

### **Deere profits soar**

Moline, Ill.-based Deere & Co. announced that broad-based improvements across all businesses led to better results in the fourth quarter. Worldwide net income was \$68 million, or \$.28 per share, for the quarter and \$319.2 million, or \$1.33 per share, for the year ended Oct. 31. This compares with net losses of \$64 million, or \$0.27 per share, and \$320.1 million, or \$1.36 per share, last year.

Net sales of the commercial and consumer equipment division were up 20 percent for the quarter and 7 percent for the year. Excluding the impact of acquisitions less divestitures, net sales increased 26 percent and 6 percent in the respective periods.

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operated courses are known to be in excellent condition, and service levels are where they should be.

But where there is this much smoke, don't you think there has to be fire?

Says Mike Ross, an 18 handicap from San Jose, Calif.: "I've been very disappointed in the apparent results of American Golf management at two should-be-fabulous courses that I've played in the last year [in Hawaii and California.]"

Ross claims the greens at the course in Hawaii were some of the worst he's ever seen. Ross also claims that nearly half the fairways at the California course he played were either barren or being resodded at the time of his playing.

This space could be filled and refilled with similar comments from golfers like Mike.

The majority of complaints I have seen or read about American Golf have to do with conditioning. With more than 300 courses, American Golf may employ more superintendents than any other golf-based cor-

poration in the world. But you can count the number of them on one hand that will speculate about the future of the company.

"They had a reputation for low-balling superintendents," says Greg Thomas, superintendent at Las Sendas GC in Mesa, Ariz., and a former American Golf employee. "But my first year, they spent a lot of money on education for superintendents. I actually ended up having a good experience."

American Golf, Goldman Sachs and Starwood would not comment on the future of the company.

If you know Goldman Sachs, then you know it is in this to make money. If you know Starwood, you know that it owns Troon Golf. If you know Troon Golf, then you know that it has an outstanding reputation for operating high-end golf courses.

You can bet that American Golf's critics hope this all adds up so that they can have that "good experience," too.

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*Sharp is senior editor of travelgolf.com and a frequent contributor to Golfdom.*

## Quotable

**"I'm willing to have a sex change operation and be referred to as Patricia O'Brien."**

— Pat O'Brien, director of the USGA Green Section's Southeast Region, who said he'd help Augusta National overcome the problem of not having a woman member

**"If an agronomist, entomologist and**

**a plant pathologist are playing golf together, I guarantee you that they couldn't come to any agreement on the causes of turf problems on the golf course."**

— Keith Karnok, professor of plant pathology, University of Georgia