# Golfdom

# Business Record

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# The Fun and Value Factors

These simple components are integral to growing the game and should not be underestimated, as three successful operations prove

BY MATTHEW J. WARD

enial. It's easier to state than dealing with the reality of the truth. The U.S. golf industry is facing its own denial of sorts. The total number of players is not growing by most independent accounts. In fact, it may be decreasing, and the industry's rush to open a course a day from just a few years back is now causing many existing courses throughout the country to decide if closing is a more viable option.

The naive belief of "build a course and they shall

come" is simply ringing hollow for many. For instance, the East Course at Blue Heron Pines, the highly touted 18-hole layout that makes up half of the 36-hole complex just outside Atlantic City, N.J., may close at the end of the season. The course, designed by Steve

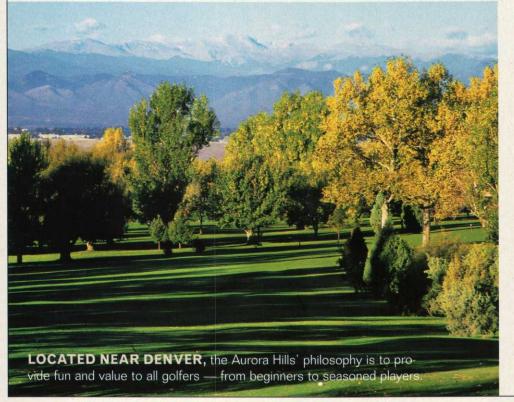
Smyers and rated among the top five public courses in the Garden State, also could face a major change if a developer gets his way in securing permits for age-restricted housing. Then the East Course would be transformed into a nine-hole course for the community.

Opinions vary when it comes to the numbers of players and how many rounds they play. In a recent report, Pellucid Corp., a research group that studies the golf industry, stated that the drop of players in American golf is not an aberration but the outline for a continuing trend.

The National Golf Foundation states the opposite conclusion. It reports that the total number of rounds for the first three quarters increased 1.3 percent when compared to the same period last year.

Statistics aside, most everyone agrees that the increasing cost to play and the growing amount of time it takes to play have hindered the game. Family life for many today features a crowded plate. Having the wherewithal to commit five

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### **FUN AND VALUE FACTORS**

Continued from page 47 to six hours to play 18 holes doesn't make the grade of priorities — particularly females between the ages of 18 and 45 who typically serve as the primary caregivers for young children.

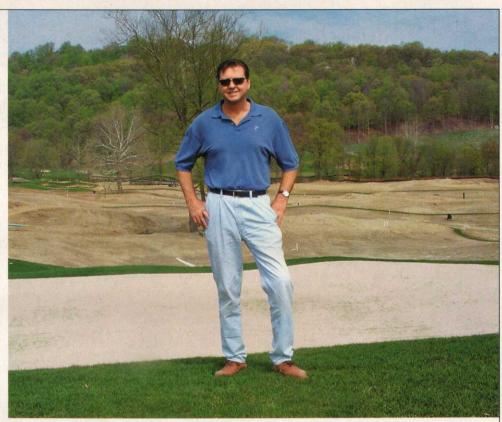
Many courses simply believed players would continue to come with each passing day, and little has been done to aggressively market their services to sustain patronage. The emergence of Tiger Woods on the world stage of professional golf had many believing the ascension of minority participation in the sport would mean a bump up in total players. That has not happened.

Despite these negative trends, there are some clear examples in America in which facilities and ownership entities have implemented strategies to increase rounds played in the belief they will build a future base of players beyond what exists now. The twin focus-points of fun and value are central to their success.

Golf courses looking to increase their rounds and attract new players might learn a few things from the three operations' stories below.

## Join the club

Until the late 1980s and early 1990s, the golf course market in the greater New York metropolitan area was fairly two-dimensional — private equity clubs on one side and taxpayer-owned municipals on the other side. But upscale golf — or the "country club for a day" model — mush-



**ERIC BERGSTOL**, the founder of Empire Golf, says his company's goal is to create quality golf courses that are interesting and distinct.

roomed rapidly until it hit some clear bumps in the road as the total number of golfers stagnated and failed to keep pace with the burgeoning number of upscale facilities.

Such facilities need to understand that today's golfers want nothing less than equal or greater value in return for green fees. As founder of Empire Golf, Eric Bergstol has long understood what drives consumer satisfaction.

"Our goal has always been to create quality golf courses that are interesting and distinct," says the 47-year-old resident of Rockland County, N.Y.

The Bergstol approach first started with a private club he initiated called Minisceongo Golf Club in Pomona, N.Y. Bergstol then built a range of upscale facilities straddling the New York and New Jersey markets. Given the changing dynamics of the golf market, Bergstol initiated an idea that has been carried forward in other markets but not in the New York metro region — providing a private club membership at not one but six premier golf facilities through a program called Club Max.

"We take pride in creating quality, nationally recognized golf courses in this region, and we believe Club Max will represent the ultimate club membership and be of great value," Bergstol says.

A refundable initiation deposit ranges from \$12,500 to \$25,000. Yearly dues range from \$5,200 to \$6,200. In addition, Bergstol has provided Club Max members with 50-percent-off discounts from green fees dur-

ing nonpeak periods for other clubs in his portfolio. This bonus program includes renowned public courses in the Garden State, such as Twisted Dune near Atlantic City and Pine Hill. There is also a Florida course option in the greater West Palm Beach area.

"We expect Club Max to appeal to a broader range of golfers than a stand-alone private membership," Bergstol says. A sixth course, the new Hollow Brook Golf Club in Westchester County, will join the Club Max portfolio when it opens in the spring.

#### Less is more

A fine example of the fun and value strategy is the Rustic Canyon Golf Course in Moorpark, Calif. Building the fun aspect is central to understanding the fanfare

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# **PROFILE**

# Bill Fountain

## The co-owner of Majestic at Lake Walden is never short on promotional ideas to drive business

Bill Fountain is co-owner of the Majestic at Lake

Walden, a Jerry Matthews design in Hartland, Mich. In a state overflowing with public courses and recreational options, Fountain believes it takes more

than scenic lakeside vistas and a first-class layout to entice players to his 27-hole facility an hour northwest of Detroit. His promotional ideas have benefited and delighted his partners, players

and community.
Among the more intriguing events hosted along the shores of Lake Walden:

A golf ball drop for a local girl battling cancer — The club sold 1,000 golf

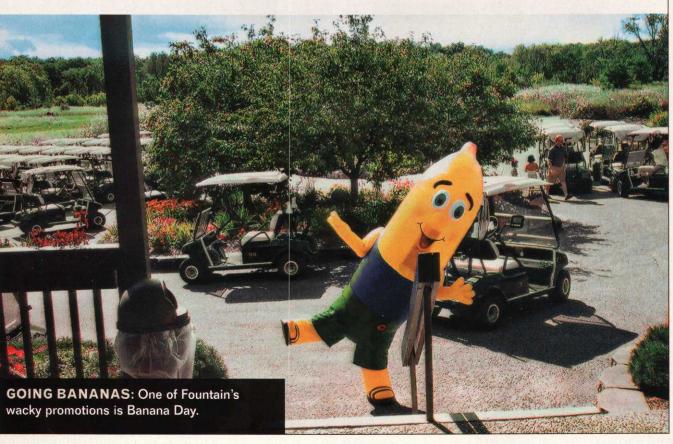
balls at \$25 each. All 1,000 tickets sold in about two weeks. Each ball was marked with a number

between one and 1,000 with a corresponding ticket displaying the purchaser's name. While more than 200 people looked on, a helicopter flew over the practice range and dropped the balls from a height of 300 feet to a target green. The five closest balls to the pin won \$1,000 apiece. The young girl drove out to the green and helped decide the winners before climbing aboard the helicopter for a ride over her house.

"It was a truly special day," Fountain says. "The generosity displayed at that event still amazes me."

- Turkey Day The Sunday before Thanksgiving the past several years, anyone bringing a frozen turkey weighing 20 pounds or more to the course receives 18 holes of golf and a cart. The turkeys are donated to a local food bank. Fountain has contacted a number of local courses about expanding the event to their facilities as well.
- Banana Day The entire staff dresses in yellow and gives out bananas to guests.

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# **MONEY SHOT**

# Wanted: Golf Fanatic with a Fabulous Phone Voice

BY HEIDI VOSS

s a club-marketing consultant, part of my

assist clubs in finding membership directors. One might think this would be easy, but it's very difficult.

Most people who apply for the job believe

they'll be perfect for it because they love to play 36 holes of golf daily. But in reality, you could take a survey of directors and they would tell you that they get to play golf about once a month, and that they play less now than before they assumed their roles.

So the big question is: "What do they do all day?" I was asked this once by a member of the club's wait staff. He had seen me chatting happily on the phone,

touring around on the course and dining with folks while enjoying tableside Caesar salads and cherries jubilee.

> His exact words were, "How do I apply for your job?"

I'm pleased my job appears so glamorous, but in reality a director spends many hours on the phone and in

meetings with potential members answering their numerous questions, as well as overcoming their buying objections. This is especially true with all of the recent competition between clubs in the marketplace.

How do I find the right person for this job? I look for a gregarious person who thrives in the company of others and isn't afraid to jump in and cater to a member's every need. This person can also drive an SUV across an area that appears to be strip-mined while describing the new par three that will play over the water feature that currently doesn't exist.

Contrary to popular belief, you don't need to be female to be a great membership director. You must, however, be willing to work eight days a week and be at the beck and call of your members and club manager.

When I feel I have the right candidate, I administer a personality profile test, conducted by Profiles International, for comparison with others in the industry that have done outstanding jobs. If the test, with questions like, "Would you rather fly the helicopter or ride in the helicopter?" doesn't make them crazy, I am usually rewarded with a terrific gauge of how successful this person is going to be in the club membership position.

Once on board, the director is encouraged to spend the day with each department head to learn about their roles on the team. From an agronomic perspective, the prospective members today know much more about grass types, irrigation, bunker styles, green speed and all of those things that make them a prime candidate for serving as the green

chairman. Just kidding!
Seriously, though, nothing
impresses a prospective
member more than the
membership director who
knows each golf hole's length
and the smart landing areas.

I still run into clubs that want to run the membership program by committee. This invariably leads to asking busy members to allocate time to try to track down even busier prospects. This is the immediate key to failure. We don't ask members to mow the grass and cook their meals, so why should we expect them to spearhead the largest revenue generator at the club?

A hot, ongoing debate I have at my house with my superintendent husband is, "Who is the most valuable employee at the club, the membership director or the superintendent?" Without green grass there would be no sales and without sales there would be no green grass.

Therein lies the conundrum.

Voss is president of Bauer Voss Consulting, a club marketing consulting company. Voss specializes in new development, club conversions from public to private and member buyouts. For more information, contact www.bauervossconsulting.com.

## Three Requisites for the Job

**1 GREGARIOUS WITH A CAPITAL "G"** — This person thrives in the company of others and isn't afraid to jump in and cater to a member's every need.

2 ONE DOESN'T HAVE TO BE FEMALE — But you do have to work eight days a week and be at the beck and call of your members and manager.

3 AGRONOMICALLY INCLINED — The person knows grass types, irrigation, bunker styles, etc.

## PROFILE/BILL FOUNTAIN

Continued from page 50
Golfdom asked Fountain to share his thoughts about the golf business and give readers more insight into the owner that some call "The Banana Man."

Golfdom: What's the most important issue facing golf course

**Fountain:** We still look at golf in the traditional way. Golf, as an entertainment option, takes a tremendous amount of time. However, our society, for a number of reasons, has eroded personal time for recreational activities. The game has not changed significantly since it started. When I look at other

sports and see how they have evolved, I feel golf is at a crossroads where change will be good for the growth of the game. We need to become more creative and mold our businesses to address the amount of time we spend playing the game. Perhaps that means an 18-hole course broken up into three six-hole courses that could

accommodate six-hole play and

leagues but still allow 18-hole events. Who would have thought 20 years ago that beach volleyball would be an Olympic sport, or that riding a skateboard 40 feet in the air could make you millions?

Golfdom: What's the key to a good

owner/superintendent relationship? Fountain: Trust, honesty, respect.

Golfdom: Finish this sentence: "The best thing that could happen to the golf industry would be . . . "

**Fountain:** ... the freedom for businesses to have the ability to entertain their clients and expense them on their business accounts.

**Golfdom:** What is the best investment you ever made in your business?

**Fountain:** The building of relationships with my partners, team members and others in the golf industry.

Golfdom: Who are the three most influential people in the golf industry? Fountain: Mother Nature because of the weather, Alan Greenspan because of interest rates and George Bush because of our freedoms.

**Golfdom:** Who is your favorite golfer? **Fountain:** Tiger Woods.

Golfdom: If you could have lunch
with anyone, who would it be and what
would be the first question you would ask?

Fountain: God. And my first words would be to say, "Thank you."

**Golfdom:** What do you do in your free time?

Fountain: Spend time with my family.

**Golfdom:** What was the last book you read?

Fountain: "Good to Great: Why Some Companies Make the Leap . . . and Others Don't," by Jim Collins.

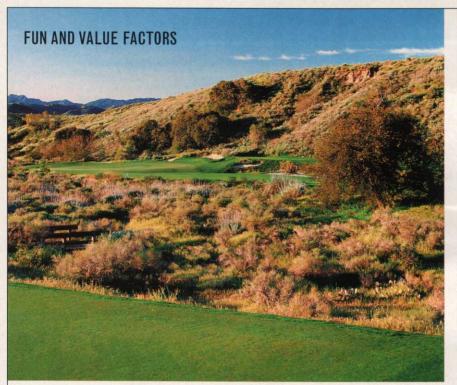
Golfdom: What's your favorite movie?

Fountain: "Caddyshack."

**Golfdom:** With which club in your bag do you hit the best?

Fountain: My 5-iron. ■





A GOOD DEAL. Green fees at Rustic Canyon are a mere \$35 during the week and \$50 on the weekend with \$10 extra for a golf car.

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attached to Rustic Canyon. Too often
modern design has celebrated courses
overdosing on total difficulty — plenty
of length, lots of water and a good number of bunkers and implemented hazards that are simply in place for cosmetics and require an inordinate amount of
upkeep time.

Located less than 60 minutes from Los Angeles, Rustic Canyon proves that interesting design can give players the fun aspect they desire when playing.

In 1999 the County of Ventura put out a notice to interested developers for the creation of another golf course for recreational purposes and income. The land was in its native state prior to any construction and consisted of slightly more



We designed them!
We build them!
We sell them!
We service them!

Your Grandmother can operate them!



than 200 acres. Highlands Golf LLC built the course for about \$3 million.

Architect Gil Hanse, based in Malvern, Pa., was chosen because his vision for the land was compelling and far removed from the cookiecutter, pro-forma layouts that routinely dot the Southern California landscape, Assisting Hanse was design partner Jim Wagner and classic design enthusiast, author and Golfdom contributing editor Geoff Shackelford, who lives in nearby Santa Monica.

Shackelford says it's nice to hear golfers describe the course as "fun."

Gil Hanse's vision for the land was compelling and far removed from the cookie-cutter, pro-forma layouts that routinely dot the Southern California landscape.

"Many golfers have almost seemed worried they were going to insult us by complimenting the course as fun," he says. "That says a lot about the state of architecture when 'fun' is an almost dirty word."

Rustic Canyon's success as a design was noted by different publications. Golf Digest awarded the facility its Best Affordable Course for 2003. It's inexpensive because less than 17,000 cubic yards of material was moved during construction. And clearly the cost to play has been a driving force in keeping tee sheets filled.

Green fees at Rustic Canyon are \$35 during the week and \$50 on the weekend (golf cars are an additional \$10). How does that compare? Go down the road to neighboring Simi Valley and you'll find two Pete Dye-designed layouts at Lost Canyons that routinely charge triple-digit fees to play at peak times.

#### **Diversity rules in Aurora**

The twin concepts of fun and value are also anchored in the taxpayer-owned facilities. As Colorado's third-largest city, Aurora (popula-Continued on page 58

## 20 YEARS & COUNTING:

SURFSIDE 37 is the clear winner in the GREEN SPEED WAR at CASTLE PINES GC. My GREENS have kept pace with the STIMPMETER, HEIGHT of CUT, and MAINTAINING NEAR **TOURNAMENT CONDITIONS throughout** the GOLFING SEASON, I enjoy the challenge, I enjoy my course.



HOME OF THE INTERNATIONAL TOURNAMENT, CASTLE ROCK, CO.

For the "International" we spray everything inside and outside the gallery ropes with Surf-Side 37 and Iron. Our fairway program during the summer is 3oz. Surf-Side / M and 1 1/2 oz. Iron / M applied every other week. We don't water-down the application. The Iron mixed with Surf-Side does wonders for the grass! The Greens receive 1 gt. / M Surf-Side to start the season. Back in 1986 we had lots of fairway areas that didn't take water well. Localized dry spots were a real problem due to thatchy turf and a clay-gravel soil. With 40 days over 90°F and winds coupled with 15 to 25% humidity the exposed sites dried out rapidly. A program of aeration plus Surf-Side has reduced this problem significantly. At Castle Pines hand watering isn't just hand watering any more... and remaining dry areas on fairways are hit with 32 oz. / M of Surf-Side (the same rate used at the start of the season on our Greens). Repeat application usually isn't needed for up to 4 weeks. Our fairways are irrigated twice a week. Fairways are overseeded to

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SURF-SIDE DOESN'T BURN, DISCOLOR, OR ROOT PRUNE

### **FUN AND VALUE FACTORS**

Continued from page 57 tion: 290,000) has consistently demonstrated a successful multicourse operation providing both residents and nonresidents a quality product that maximizes value through a diversity of quality course options. With seven golf facilities, Aurora offers a multidimensional



**DENNIS LYON.** "Value is more important than price."

approach few communities can match.

Aurora's first public course opened in 1968 with Aurora Hills. Since that time the total operation has expanded quickly and produced 2003 revenues of \$5,177,291 with a total of 292,441 rounds played.

"In today's market golfers have multiple choices where they can play," says Dennis Lyon, certified superintendent and director of Aurora's Golf Division. "The fun and value equation is an important consideration in making the decision where to play.

"Value is more important than price," Lyon continues. "As long as golfers perceive a good value, they will pay the price they can afford."

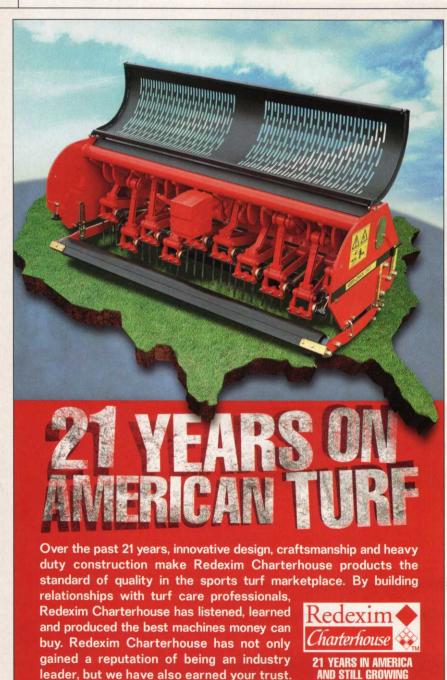
Located east of Denver, the Aurora philosophy is simple: provide a consistently fun and value option for all who use its facilities, whether they're beginners or seasoned players.

The community provides a ninehole par-3 option at Centre Hills for those just getting started. For those who prefer a more challenging option, there's Murphy Creek, which hosted the primary Denver-area qualifier for the 2003 U.S. Amateur.

One of the more compelling points about Aurora and its golf offerings is that rates to play, even for nonresidents, do not exceed \$50 even during weekends and holidays. To get that kind of value and to have a full range of unique facilities clearly shows the kind of game plan other facilities throughout the nation will need to follow in order to make golfers return as happy customers time after time.

The bottom line is the more successful operations understand that fun and value are the ingredients needed to keep them in the black.

Ward is a freelance writer from Clifton, N.J., and editor of Jersey Golfer magazine.



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