Business briefs

Course openings decline

They don't make 'em like they used to.

According to the National Golf Foundation, only 124.5 golf courses (in 18-hole equivalents) opened in 2005, less than the 150.5 that opened in 2004. The number is substantially down from the all-time-high golf course opening number of 398.5 that occurred in 2000, according to NGF.

The last time so few golf courses opened as did in 2005 was in the mid-1980s, the association says.

The NGF also said there were 98 closures (in 18-hole equivalents) in 2005. That means the net addition the industry was only 26.5 18-hole courses. Several of those closings have occurred in Michigan, once the hot bed of golf course openings.

Foley takes over at GCBAA

Paul Foley, the new executive director of the Golf Course Builders Association of America, may not know the inner workings of the golf course building industry – yet – but he knows plenty about association management. Foley, who replaces Lee Hetrick, comes to the GCBAA from the Motor Equipment Manufacturers Association (MEMA) and the Automotive Aftermarket Suppliers Association (AASA), where he served as vice president for the past five years. Foley previously worked for the Goodyear Tire and Rubber Co. for 34 years.

Foley says he'll be able to utilize his business and association experience to help the GCBAA grow. "Associations must be member driven, and I look forward to working with the membership to determine their needs and translate that into services the GCBAA will provide," he said.

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Hughes Not Thrilled About Gulf Bill

NGCOA LEADER SAYS LAW, WHICH EXCLUDES GOLF COURSES AND CLUBS FROM TAX BENEFITS, IS OUTRAGEOUS

Mike Hughes is not happy that golf facilities have been grouped with booze, bets and backrubs by U.S. lawmakers. Hughes, the CEO of the National Golf Course Owners Association (NGCOA), is even angrier that lawmakers have excluded golf courses and clubs from tax benefits created by the Gulf Opportunity Zone Act of 2005.

In December, lawmakers passed a bill that creates about $8 billion in tax benefits and relief to Gulf Coast businesses affected by recent hurricanes. However, golf courses and clubs are excluded from those benefits. The law states that "provisions do not apply with respect to any private or commercial golf course, country club, massage parlor, hot tub facility, suntan facility or any store the principal business of which is the sale of alcoholic beverages for consumption off premises."

Hughes said lawmakers do not understand the golf industry and the contributions golf course owners and operators make to local communities. The NGCOA contends the bill was intended to satisfy House conservatives.

"To be singled out like this — as though the owners and operators of golf courses in this region are not part of the mainstream business community and do not make significant contributions to local economies — is outrageous," he said.

The bill, which President Bush said was introduced to help small businesses, provides access to tax breaks that includes accelerated depreciation, deduction of demolition and clean-up costs, operating loss carryback, and an employee retention tax credit for employers in the disaster zones.

Hughes said golf is a centerpiece for the tourism industry in the Gulf Coast region and is responsible for generating millions of dollars in revenues and thousands of jobs. "A golf course is no different than a restaurant or movie theater when it comes to hurricane relief," Hughes added.