

Welcome to Agrium Advanced

Changing The Future Of Fertilizer

Now you can improve your course's fertilizer program without changing a thing. Agrium Advanced Technologies has joined with Pursell Technologies, Inc. (PTI), and Nu-Gro Technologies to become the leading supplier of fertilizer and pesticide technology for the turfgrass industry.

The slow- and controlled- release fertilizers you use now are all still available. And better yet, Agrium Advanced Technologies can offer you additional fertilizer solutions plus enhanced customer service and cost efficiencies.



Bill Boycott

"We're integrating PTI and Nu-Gro so that it's seamless to superintendents," says Bill Boycott, President of Agrium Advanced Technologies. "In

most cases, customers will work with the same people as before, and we plan to build on those relationships."

Agrium Advanced Technologies will also continue to support the GCSAA and other professional associations, and maintain a major presence in The Experience at FarmLinks, the educational getaway where superintendents can relax and learn about the latest golf course products and practices.

A Different Name, The Same Great Performance.

Agrium is new to golf, but we've been a leader in fertilizers for a long time – in agriculture. We pioneered controlled-release nutrition in crops, and our customers know us for high-quality products that perform.



David Pursell

"Agrium Advanced Technologies is doing bold things with fertilizers in the ag market," says David Pursell, former CEO of Pursell Technologies and now

Vice President, Marketing and New Product Development for Agrium Advanced Technologies. "This move strategically combines our golf market expertise with Agrium's resources and abilities."

Your marketing and sales team will be familiar to you as well.



Mark Barbera

"Agrium Advanced Technologies will continue to emphasize quality, research and customer service...now even more than ever," adds Mark Barbera, Vice President, Sales for the new company "You will be

doing business with the sales people you've come to know and trust."

A Brighter Future.

By developing new technology, products and practices, Agrium Advanced Technologies has made a commitment to help superintendents.



Dr. Jeff Higgins

"Agrium Advanced Technologies will be funding research and product development, so you will have a continuing source of new, high quality products that are guaranteed to perform," notes Dr. Jeff Higgins, Marketing Manager, Turf/Agriculture. "We are committed to developing new technology, products and practices that will help you do your job better and more efficiently."

"We're talking about finding smarter ways for superintendents to grow," Boycott says, "both literally with their turf, and personally in their careers. Agrium Advanced Technologies can do that."



Technologies.

By Building On The Past.

A Fertilizer For Every Need On Every Course.

The branded products you trust for your turfgrass will continue to be available through Agrium Advanced Technologies. Those products include:



Neutralene delivers nutrients when activated by temperature and soil microbial action in unison with plant demand. This unique process sustains highly efficient feeding over its stated longevity, at any time of year, with minimized escape of nitrogen into ground or surface water.



For more than fifty years, Nitroform has been one of the safest and longest-lasting products for slow-release nitrogen. With its non-burning, low-salt formulation, Nitroform also promotes organic feeding by providing both energy-rich carbon and nitrogen for increased microbial activity.



Water-insoluble IB Nitrogen effectively feeds turfgrass during moist conditions and cool temperatures, making it the ideal choice for steady, slow-release feeding of nitrogen in many geographies and early- or late-season applications.



Superintendents prefer controlled-release SCU brand sulfur-coated urea for its proven ability to turn turfgrass a rich, healthy green quickly after application and then keep its color for a long time. SCU's special manufacturing process yields highly uniform granules for consistent performance.



The famous green Polyon polymer-coated, controlled-release fertilizers use patented "reactive layers coating" to encapsulate nutrients. When activated by soil temperature, Polyon slowly and gradually releases into the soil to assure predictable season-long fertilizing.



Duration CR nitrogen uses the latest scientific advancement in controlled-release fertilizer technology to provide exceptional performance in consistent, predictable nutrition. Duration CR is available in five release rates to best fit your climate and playing season.



TriKote polymer/sulfur coated urea fertilizer offers a higher nitrogen-per-ton analysis than other PCSCU products, in a durable, stable form. Using a thinner coating with less sulfur, TriKote minimizes "locked off" nutrient release to deliver more reliable, effective feeding of your turf.



The Precise brand of technology enables popular pesticide ingredients – such as acephate — to be encapsulated. That gives you predictable, controlled-release performance with easier, safer, cleaner handling and application.

Smarter Ways To Grow

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Agrium Advanced Technologies:

Products That Perform, From People That You Know

You'll notice many familiar faces on our Agrium Advanced Technologies sales and marketing team. As always, relationships are important to us, so just let us know what you need, and we'll work with you to make it happen.

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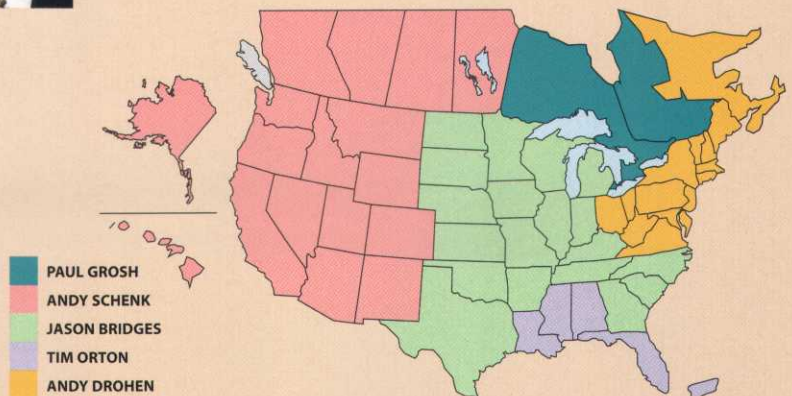
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Golf course 'correction' could bode well for the industry, according to our special report

BY LARRY AYLWARD, EDITOR IN CHIEF

Remember when the stock market underwent a correction a few years ago? Well, if you glance at the market closings in the business section of today's morning paper, I think you'll agree the correction turned out ... well ... correct.

Today, the stock market is soaring like one of John Daly's tee shots.

Which brings us to the golf course industry. Insiders, including the head honchos from the industry's leading associations, are keeping their eyes on their own industry's "correction."

For the first time in 60 years, the golf industry experienced negative net growth in golf facilities in 2006. In fact, the net number of golf course openings — the combination of course openings minus course closures — has been dropping for the past four years.

But this is good news for the golf industry, much like the recent stock-market correction turned out to be good news for the national economy.

"This is a healthy thing," says Mike Hughes, executive director of the National Golf Course Owners Association. "It's the economy working as we would expect it."

In our sixth-annual *Golfdom Report*, a special report on the state of the profession, we report on the golf course correction and other issues affecting the industry (See "In Good Repair," page 6A). We don't just take a look back on the past year, either. We provide a look forward of what you can expect in the near future.

Also in this year's *Golfdom Report*, Contributing Editor Jim Black writes about his experience as an employee in the landscaping industry in "In Search of Greener Grass" (page 15A). Black, who has golf course maintenance in his blood, writes that he shocked himself when he left the business for landscaping. But as it turned out, Black couldn't stay away from the profession for long.

In the third segment of the *Golfdom Report*, we provide you with the results of our recent reader survey (page 19A). Every year we conduct the survey to gauge superintendents' sentiments about their jobs and the profession. We had 625 responses this year.

Finally, we would like to hear what you think of this report. Please contact me at laylward@questex.com or Senior Editor Dave Frabotta at dfrabotta@questex.com to give us your views. ■

In Good





Repair

The golf industry is amid a stock-market-like correction, but insiders are bullish on its growing fiscal strength

BY LARRY AYLWARD, EDITOR IN CHIEF

A man dressed in a tuxedo takes the podium in front of a packed audience.

"The envelope, please," he requests.

The crowd turns quiet, as if Tiger Woods is putting on the 18th green for a win in the final round of the U.S. Open.

The man is handed the envelope. He opens it, removes a piece of paper with writing and begins to read it aloud. "The net growth of 18-hole golf courses opening in the United States in 2006 is ...

... minus 26.5!"

The audience erupts with approval. "Glory be to the golf gods," people shout, as champagne corks pop and confetti flies. The crowd's combined smile seemingly stretches the length of the fairway on the 667-yard 16th hole at Firestone Country Club.

Yes, *minus 26.5* net golf course openings — the combination of course openings minus course closures — is good news for the industry. With rounds running flat and the number of new players about nil, the last thing the industry needs is more golf holes. In fact, it could use fewer of them.

It's more evident than ever that too many golf courses were built in the late 1990s and early 2000s. Now, with supply

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PHOTO BY: INDEXOPEN

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outweighing demand, a correction is occurring. Net course openings in 18-hole equivalents have gone from plus 252 in 2001 to minus 26.5 last year, according to the National Golf Foundation (NGF). Thirty-one net courses opened in 2005, and 99 opened in 2004.

"This is a healthy thing," says Mike Hughes, executive director of the National Golf Course Owners Association (NGCOA). "It's the economy working as we would expect it."

As the correction goes, so does the attitude of the people who make the golf industry tick. Generally, they're beginning to feel good about the industry's economics after several difficult years following 9/11.

According to a recent *Golfdom* survey of more than 600 readers, 41 percent said they are confident the national economy will improve in 2007. That's up from 33 percent who responded to the same question regarding the 2006 economy in last year's survey.

Twenty-four percent said they weren't confident the economy will improve in 2007 (compared to 35

Mike Hughes, NGCOA

"This is a healthy thing. It's the economy working as we would expect it."



percent in 2006), and 35 percent said they are "not sure" if the economy will improve (compared to 32 percent in 2006).

Sixty-seven percent of readers said they were "very optimistic" or "kind of optimistic" about the economic health of their golf facilities, according to the latest survey. That compares to 68 percent from the previous survey.

Inside word

It's easy for people on the outside to assume the golf industry is suffering because the number of course openings is falling and the number of course closings is rising, says Steve Mona, CEO of the Golf Course Superintendents Association of America.

"But that's not the way to look at it," Mona says. "Golf is winding up with a better inventory nationwide."

It's also easy to assume that the courses being closed and plowed under are doing so because they are strapped financially. But that's also not the case in most instances, Mona says.

"On the contrary, when you evaluate the courses being sold for other land uses, usually the owners are making out very handsomely," he says.

For instance, there's talk that more golf course owners in Las Vegas will close and sell their properties because the land they occupy is worth about \$500,000 an acre. Talk about cashing in Vegas-style.

"There's no sad story there," Hughes says.

The conversion of golf courses into other uses is one of the big stories of the year, Hughes contends. In the past, golf course owners had to sell poor-performing courses for less money than they had hoped to receive. Today, many owners are selling for premium prices because the land the courses are located on is worth a pirate's treasure.

"They're generally making more money off the golf course than they ever anticipated," Hughes says.

Many of the closed courses are older low-end facilities in urban areas that feature only nine holes and a practice area, Mona says.

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Rounds and Rounds

Number of golf rounds played in the United States from 2001 through 2006

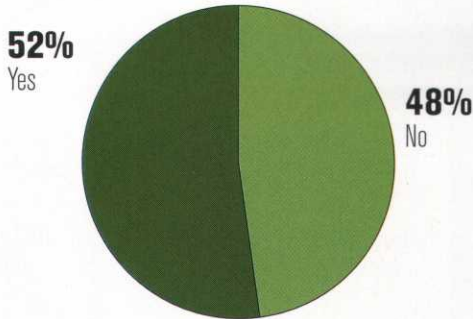
2001	518.1 million
2002	502.4 million
2003	495 million
2004	499.7 million
2005	499.6 million
2006	504.7 million (forecasted)

Source: National Golf Foundation



Did your course's rounds increase this year?

(599 responses)



Source: Golfdom Survey

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“What we’re not doing is taking heavily used 18-hole courses located in suburban areas off the market,” he adds.

And the new facilities are well-designed and well-maintained 18-hole courses, Mona says.

“The net effect, considering what’s coming off the market with what’s coming on the market, is the quality of the overall golf inventory is going up,” he adds.

Industry suppliers agree with Mona’s assessment. However, less net course openings might mean more competition for them.

Gregg Breningmeyer, the director of sales and marketing for John Deere Golf & Turf One Source, says the current industry correction needed to happen.

“Ten years ago, demand exceeded supply by a great margin, and that’s what fueled the rampant building of golf courses,” he says. “That was fine, but we just didn’t put the brakes on it soon enough. You just can’t sustain a situation where supply exceeds demand by that level. But the beautiful thing about free markets is that they will correct.”

That said, Breningmeyer says supplier competition for golf courses might increase because of the correction.

“It makes it difficult from a manufacturing standpoint to forecast what your sales will be in the domestic market,” he says. “That’s a challenge, especially when you’re in a market like the golf business where you don’t have hundreds or thousands of units sold every year. ... Any volatility you have in forecasting with relatively small numbers makes it all the more difficult to accurately forecast what you need to bill for the year. And if you miss that badly, there can be significant implications on your financials.”

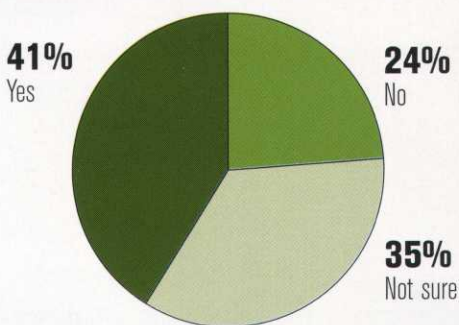
Toni Bucci, business manager for BASF Professional Turf & Ornamentals, says the slow growth in golf course construction will impact the supplier side of the business. She also notes that many suppliers’ costs of doing business are going up, and competition among chemical suppliers is getting more competitive.

Steve Mona, GCSAA

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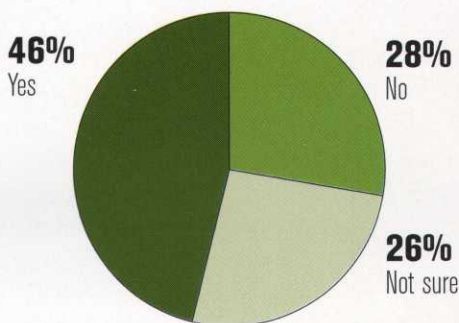


Are you confident the national economy will improve in 2007? (623 responses)



Source: Golfdom Survey

Are you confident your local economy will improve in 2007? (624 responses)



Source: Golfdom Survey

But that competition will only help superintendents, “because that competition motivates us to be even more innovative,” she adds, noting that money will continue to be invested in research and development for new products that will help superintendents in their jobs. “We have to be constantly thinking about, not only what our competitors are doing, but about what new expectations our customers will have.”

Wanted: More players

While there’s rejoicing over net negative openings of golf courses, there’s some concern over the near-flat number of rounds being played in 2006. According to the NGF, rounds were up 0.3 percent nationally in 2006 through November when compared to the same period in 2005. Golf Datatech, a golf industry statistic tracking firm, reported rounds were up 0.4 through November. “If someone said to me, ‘What one metric in golf would you like to see change,’ I would say the number of rounds being played,” Mona says.