

Golf Inc.™

Sales

Turnaround artists

With more banks taking over courses, a new breed of management companies have emerged who are experienced in the quick turnaround

BY BRUCE BUCKLEY

Any reputable management company can tout its ability to take a languishing course, stabilize it and deliver positive results that stretch over a period of years. But what if that company had to compress its plan into a year, six months or even less?

The economic crash of 2008 delivered a deathblow to many courses already on the brink, leaving owners with no option but to hand over the keys their to lenders. With banks beginning to take properties back — and more expected to do so in the coming years — a breed of quick-turnaround artists has emerged. With short-term assignments that can last as little as a month, these companies have developed ways to mobilize

quickly, identify issues, create a recovery strategy and stay within the financial limits of a lender who ultimately wants to dispose of the asset.

“It’s a race from day one,” said Steve Harker, president and CEO of Touchstone Golf in Burnet, Texas. “You have to be able to go in and show quick improvement, you don’t have a choice.”

Touchstone is one of multiple companies that have developed a reputation for finding quick solutions at courses that have reached the breaking point. Among its biggest clients is Textron Financial, which has taken back more than two-dozen courses in recent years and put them in the hands of third-party managers until

the assets can be sold. This summer, Touchstone operated five courses for Textron.

Originally founded as a golf course consulting firm, Touchstone established itself early as a short-term problem-solver.

“One of our clients said they hired us because we’re head-scratchers,” said Harker, who was previously national sales director at American Golf. “When we see a problem, we look at it at all angles, take it apart and put it back together. It’s incredibly challenging, but fun work.”

When the recession hit, Touchstone took advantage and signed multiple short-term assignments with financial institutions, including four deals that saw courses sell in less than six months.

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