

# Course Profile

## All in the Family

### Fox Hollow Golf Club - Calgary's "turn-around" course

by Vince Kishimoto

Experience is a hard teacher because she gives the test first, the lesson afterward. Vernon Law, Pittsburgh Pirates pitcher

In the golf game, as in any business venture, you don't often get second chances.

In the early 1990's the Adams family in Calgary adopted a course still very much in the rough, striving over several years (and spanning two generations of Adamses) to achieve their goal of becoming, in their words: "The best affordable golf facility in the Calgary area."

Their experience demonstrated that if you learn the lesson after the first test you stand a good chance of succeeding.

The roots of Fox Hollow's turn-around go back to 1988, when the City of Calgary put up a 120-acre parcel of environmentally sensitive land for tenders located in the centre of the city with the view to having a public golf course constructed by private enterprise on a long term lease basis. This was a departure from the norm in Calgary which already had six municipally owned and operated facilities.

The successful group, including the designer and well-known Alberta amateur, Harold Pasechnik, opened nine holes in 1990 and the back nine the following year. Cost overruns and delays plagued construction right from the start and the group was forced to seek additional funding.

This is where the Adams came in. When the golf course was first conceived Steve Adams was invited into the founders group but had to say no because of other business interests. However in 1990, wife Vicki Adams, along with some partners, agreed to lend the fledgling golf course sufficient funds to cover the cost overruns. In doing so, this group became a minority shareholder in the facility.

Unfortunately, the shortage of capital meant there were significant cutbacks and shortcuts in the construction process, resulting in a less than ideal finished product. The impact of these deficiencies became evident when golfers stayed away in droves. Lower green fees increased the volume of play somewhat, but the short fall in revenue created sizeable cash calls being made to the highly leveraged ownership group.

But one person's misfortune can become another's fortune-especially with the application of a little elbow grease along the way.

Vicki Adams made a standing offer to buy out any shareholder. By 1992 a dampened enthusiasm for the business and disenchantment on the part of some of the investors, made Vicki the largest shareholder.

When the family took control of the management of the golf course its reputation was at an all time low. In addition, day-to-day operations were plagued by a number of problems including the insolvency of the pro-owned Golf Shop.

In 1995 Vicki purchased the shares of the last minority shareholder and the Adams were the sole owners of Fox Hollow. Family resources retired all third party debt including bank loan, mortgages and all equipment leases. To protect their investment, significant capital improvements would be necessary to improve the golf course and its image. Funds previously committed to cover interest payments were allocated to refurbish the facility.

Although Steve Adams did not know much about running a golf course he did have an extensive background in other successful businesses. He and Vicki knew from previous experience that money alone was not enough. The next step was the creation of a figurative road map with a clear view of the wise application of the financial resources being made available.

Says Steve, "To be successful it is imperative to understand what you are and what you are capable of becoming. You also must have a vision of what you are hoping to achieve."

### **Value for Dollars Spent**

Throughout the 90's Calgary experienced an economic boom and despite the construction of many new courses, play has been at a steady level at nearly all facilities. Fortunately for the Adams family at Fox Hollow, almost all the new competition in the Calgary market area was in higher end golf and corporate functions.

Steve Adams realized that because of its physical limitations, Fox Hollow would find it hard to compete against the high-end public facilities which were springing up all around the Calgary area. He focussed his attention on local competition provided by the six municipal courses and a half dozen lower-end courses. Steve also felt he could draw upon a segment of the customer base of the next tier of golf clientele. Here he targeted the active golfer that either could not afford or chose not to support expensive memberships and those who didn't want to spend \$50 or more for a single round of golf. Steve calculated if Fox Hollow raised its standards, frequent golfers would choose that course rather than pay higher fees at the other facilities. Once this was determined, Fox Hollow's mission was to become the best affordable golf course in the Calgary area.

But first the facility had to be upgraded from top to bottom. Over the next few years, for example, some 1,000 trees were planted, cart paths installed to protect

fragile fairways, and drainage and irrigation systems replaced or enhanced. For the golfers' convenience, washrooms were added on course, and the clubhouse and restaurant were totally renovated. In addition, the power cart fleet was modernized and the entire stock of maintenance equipment replaced or updated.

Glen Noble, the course superintendent, was provided with all the tools required to ensure that the golf course had every advantage that modern technology could give it. The hard work and commitment to improve course conditions by Noble and his assistant, Chris Gillespie has reaped tremendous benefits. The facility is no longer considered a "hard hat" track and is now the golf course of choice for 50,000 golfers a year.

The Fox has stayed with its game plan to target the middle-income frequent golfer by providing value for dollars spent. The success of this business plan is self-evident. In the early 90's anybody who had a pulse was welcome at the Fox. But as conditions improved, standards were raised. Dress code requirements and rules on acceptable conduct (including rowdiness and excessive drinking) were introduced.

Today the level of clientele at the Fox has changed. When the course first opened its doors, women and couples were a rare occurrence. Today approximately 50 per cent of the play involves women and couples. In 1992, Fox Hollow had less than 20,000 18 hole rounds and 40 per cent of those came from season pass holders (as low as \$300 per year). In 2000, excluding "winter golfers", Fox Hollow had 52,000 paying customers who played in excess of 45,000 18-hole rounds. Of the 52,000, less than 5,000 rounds came from pass holders and fewer than 750 of these were played during peak periods.

A significant factor in this "sea of change" was the appointment of Steve and Vicki's daughter Shelley to manage the pro shop and start learning the golf business.

In the beginning, then head pro Dan Cameron took Shelley under his wing. Working closely with her father to understand the goals, they developed a plan to appeal to specific groups with special target packaging. With limited funds for marketing and advertising the emphasis was on getting golfers to experience the upgrading and improvements of the "New Fox", letting word of mouth do the rest.

Cameron and Shelley worked closely with the staff to implement the program with seniors, women's leagues, pass holders, twilight golf, and mini tournaments. This strategy paid off and the golf course is now operating at approximately 96% of capacity. While these special incentives are no longer offered, the Adams family acknowledges their contribution to present day success. Original season pass-holders will always have the opportunity to renew. Now numbering less than 100, only 18 have weekend privileges. The super seniors league still plays

three mornings a week and a senior with a buddy can still golf 9 holes with a cart for less than \$20 or 18 holes with a cart for less than \$30.

The pro shop was recently renovated under the guidance of Fox's present pro Greg Griffith. Improved presentation, more choice and better quality product lines have resulted in increased sales and the pro shop is now an important profit centre.

### **Keeping Pace with the Competition**

As with almost all golf operations these days, pace of play is a constant challenge at Fox Hollow. Pace of play, given the number of golfers processed, is a mammoth job for Griffith, his support staff and the marshals. With gentle prodding they are able to maintain four hour and 15 minutes rounds during the week, four hour and 45 minute rounds on the weekends. Occasionally on weekends with tournaments, the rounds can go to five hours.

The pro staff patiently explain to the occasional irritated customer that long rounds are as painful to the Fox as they are to them. If a tournament does not keep pace, chances are the group will not be invited back. Individuals not able to keep pace are encouraged to golf during non-peak hours to ensure that quality of golf is not compromised. So far in 2001, Fox Hollow has had only one day in which the afternoon rounds exceeded five hours. Every year because of a combination of better golfers and diligent enforcement, the pace of play improves.

In the realm of food & beverage, the Adams worked to bring the dining service back in-house starting with the renovation and launch of the new Mulligans Restaurant in 1997. Executive Chef and manager, Nash Visram oversees this very active local favourite meeting place which seats 125 with patio service for 100 more. The eclectic menu and relaxed atmosphere draws heavy traffic from the surrounding area. Popularity has lead to expanded services and the purchase of a local catering company, enabling the operation to achieve better economies of scale requiring two delivery vans under the "Five Star Catering" banner.

The operation of a year-round Golf Dome is leased to a third party operator. At 180 yards long, it allows the golfer to see the flight of his shot for about 130 yards. In addition to significant rental income, it provides a customer base of 50,000 for the restaurant and pro shop, which is especially beneficial in the winter months.

But perhaps the biggest advantage is that it enables the golf course to operate its own, very busy teaching academy in the winter. A three-acre short course facility was constructed to continue academy operations in the summer. Junior camps go year round. This thriving academy means that Fox Hollow can support additional professional and support staff which it otherwise would be unable to

afford. Over the winter an average 4,000 enthusiasts, using temporary greens and tee blocks, get a chance to improve their swings while others dream of greener pastures and simply endure the -20° weather.

### **A Family Affair**

The Adams family is gracious in the acknowledgement of the immense contribution by capable staff for the measure of Fox Hollow's success to date. The family traditions at the course continue into the new millennium enabling the senior Adams to step aside. Mom Vicki retired in 1999 and Dad Steve resigned shortly afterward, allowing Shelley to assume the mantle of President of Fox Hollow. Having been mentored by Dan Cameron throughout her debut at the course, Shelley Adams continues to draw on tradition and memories to pass on lessons learned by guiding brother Tom in the business, keeping it ... all in the family.