

ClubCorp buys Sequoia, Troon gets funding: what's behind the big deals

Golf Inc.™

FALL 2014

MOST POWERFUL PEOPLE IN GOLF

Eric Affeldt, Donald Trump and Rory charge up the list as the industry welcomes new money, new ideas and a new idol.



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Operational back-end costs can be a pain, unless you know how to play the game. Just beware of bunkers, rough and bad lies.



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MOST POWERFUL PEOPLE IN ASIA

BY JAMES PRUSA

Asia continues to move forward, holding the banner of hope for the golf world. While new development has slowed in China, the future is still very bright for the industry as a whole. We profile the industry leaders who are taking the steps necessary to develop new players, build new courses and bring sophistication to management and operations. These pioneers are making an impact in their home countries and all across Asia. And it is this list that should determine the extent of growth for the industry into the future.





Tenniel

Ken

No. 1 Ken and Tenniel Chu

Chairman, Vice Chairman

Mission Hills Group

2013 Ranking: 1

China

Today, Ken and Tenniel Chu are the most powerful Asians in golf, respected for their leadership and efforts to develop the game.

But not too long ago, the brothers were new to golf, as was most of Asia.

As boys, they lived in Canada and their home was adjacent to a golf course, which meant errant balls would litter their backyard.

“We decided to take these unclaimed stray golf balls and set up our own little putting course in our family’s yard, employing the strategic course design creativity of young kids,” Tenniel said. “After setting out our holes, we were ready to play. However, we did not have putters. So, in a true Canadian, hockey-loving way, we decided to simply use our hockey sticks.”

The innovation that Tenniel and Ken brought to their Canadian backyard is now being employed as they seek to improve the marketability of golf and attract juniors to the game. (See profile on page 26).

The brothers took over the Mission Hills Group when their father, Dr. David Chu, passed away in 2011. Ken had been involved with the

company since he graduated from college in 1995, and Tenniel joined him six years later. They spearheaded the planning and execution of Mission Hills Haikou with the Chinese government, starting in 2008. When complete, it will have 22 golf courses.

Ken Chu leads the organization as chairman and CEO. The company’s operations reach outside of golf into spas, resorts, hotels, shopping malls, entertainment, dining and business centers — and they are extremely influential in promoting professional tour events as well as world golf competitions for amateurs, professionals and kids.

While the brothers stay keenly focused on first servicing China, the Chu’s leadership reaches out to all of Asia. Tenniel, vice chairman of Mission Hills, concurrently serves as the deputy commissioner of the OneAsia Tour, and this brings him and the Mission Hills Group into a powerful leadership role, dealing with multiple governing bodies of golf in China, Asia and throughout the world. He is also the first member from China in the R&A, which sets rules for all of Asia.

“We decided to take these unclaimed stray golf balls and set up our own little putting course in our family’s yard employing the strategic course design creativity of young kids. After setting out our holes we were ready to play. However, we did not have putters. So, in a true Canadian, hockey-loving way, we decided to simply use our hockey sticks.”

—TENNIEL CHU

No. 2 Ryusuke Kamata
CEO, Accordia Golf Co.
2013 Ranking: Not ranked
Japan

What a difference a year can make. Ryusuke Kamata, who has served as CEO of Accordia Golf since May 2012, recently made a bold move to sell off a major portion of the public company's golf courses,



but to continue as a third-party operator. In June, shareholders approved the sell-off of 89 golf course properties to a newly formed investment trust in Singapore which could net \$626 million.

Improving the capital position will strengthen

Accordia's balance sheet and make it near impossible for its arch rival, Pacific Golf Management, to attempt a hostile takeover. Accordia had to fend off such a move earlier in the year.

Accordia, with approximately 10,000 employees, currently manages 137 golf courses and 24 driving range centers and has 755 affiliated driving ranges, hotels, restaurants and branded merchandise.

No. 3 Kim Young Je
President & CEO, SKY72 Resorts
2013 Ranking: 3
Korea

It has been another intense year for Kim Young Je, who has a reputation for being



'Mr. Intense' in everything he does. He's been an entrepreneurial leader, golf journalist, principle golf course owner and a powerful influence for golf in Korea and Asia. Kim is the brains and endless energy behind SKY72 golf resorts.

For a guy who defines no-limit entrepreneurship in golf, he has no concerns about thinking outside the box. There is no box big enough to restrict Kim's creativity in the golf business. In a region where the private membership golf course

business model predominates, he has built one of the few daily-fee, public golf operations. His operations boast annual green fee revenues between \$80 million to \$100 million.

SKY72 company's golf courses are some of the busiest in the world. With five golf courses and a mega learning center, it's a leader in utilization. Two of the courses are lighted and push annual rounds of 120,000 each per year, with two others steady at 90,000 rounds. Play is so heavy that the cups are changed five times a day to spread the wear from golfer traffic.

Under construction for 18 months, a 385-room boutique-service hotel close to SKY72 golf courses and adjacent to the Incheon International Airport was opened recently. This was a strategic move that will allow the facility to serve both air business travelers and the SKY72 golf customer base.

Rather than waiting for the Asian golf industry to develop professional training and continuing education for golf course management, Kim gave orders to start SKY72's own annual winter seminars and even opened them up to all other Korean golf courses in the nation's best interest.

No. 4 Arihiro Kanda
Chairman, Pacific Golf Management
2013 Ranking: 2
Japan

Arihiro Kanda is the chief executive of PGM, the mega operator of 153 18-hole-equivalent golf courses, hotels, cemeteries and highway hospitality and service areas. Similar to, and a competitor with Accordia, PGM Holdings was set up by Lone Star Funds, an American private equity firm and then very successfully tendered its IPO in December 2005.



While rival Accordia has made dramatic business moves in 2014, PGM has seemed to trip and fall. After losing its bid for an

attempted leveraged buyout of Accordia last year, it has had to regroup. Early this year PGM made a deep reduction in workforce at its headquarters, jettisoning many long-term employees

No. 5 Mike Sebastian
Owner and CEO, Asia Pacific Golf Group
2013 Ranking: 6
Singapore

During the past 12 months, Mike Sebastian has further advanced his influence on the Asian golf industry by forming an alliance with the CMAA to launch the Asia Pacific Chapter of that organization.

Sebastian founded Asia Pacific Golf Group in 2006 and has grown the brand to include Asian Golf Monthly magazine, Asian Golf Business e-zine, Asian Golf TV and the Asia Pacific Golf Summit.

With APGG now named as the agent for the Asia Pacific Chapter of the CMAA, Sebastian has established a Pan-Asia industry operation that offers Asia's golf course operational decision makers a venue for networking and ongoing, professional development.



No. 6 Khun Santi Bhirombhakdi
President & CEO, Singha Corp.
2013 Ranking: 7
Thailand

Khun Santi Bhirombhakdi, the most influential golf businessman in Thailand, has seen his power grow as the common market of Southeast Asia, the ASEAN Economic Community, officially comes online in 2015.

Bhirombhakdi is president of Singha Corp., a top beer company in Thailand founded by his father. Exports throughout Asia have propelled Singha Beer as a powerful and influential sports sponsor in golf and other sports. This has served as a huge base for engaging in golf course and player development in Thailand. Singha Beer is

the primary sponsor of golf tournaments at every level and a key sponsor of most all major sports events in Thailand, around the ASEAN region and East Asia.

Founder of the Thai PGA, Bhirombhakdi served as its president until recently and still wields considerable influence in directing the organization. His golf course assets include three golf courses in Thailand. He is not shy to quietly use his sports marketing influences in pressing for further development of golf and golf courses in Asia.

No. 7 Conrado L. Benitez II
Founder and President, The Orchard Golf & Country Resort
2013 Ranking: 10
Philippines

The Philippine economy continues to grow at a brisk pace, even rivaling China, and that has positioned the country for further golf course development. That has helped Conrado Benitez gain power. The founder and president of the 36-hole Orchard Golf & Country Resort he was recently elected vice president of the National Golf Association of the Philippines, which will serve as the country's representative for the 2016 Summer Olympics.

The Orchard Golf & Country Resort will serve as the venue for the 2014 Philippine Amateur Match Play Championship and will, once again, host the nation's annual Golf Course Management Conference.

No. 8 Brian Curley
Partner, Schmidt-Curley Golf Design
2013 Ranking: 8
United States

Brian Curley remains the sole person not living full-time in Asia on our list, a testament to his influence over design on the continent. Having long ago forged a relationship with Mission Hills founder David Chu, Curley has continued the relationship with Chu's sons and the Mission Hills Group.

Schmidt-Curley base their design business in Scottsdale, Ariz., but Curley spends a lot of time in Asia.

Curley is credited with 20 golf course designs at Mission Hills properties alone including 10 located at Mission Hills Haikuo on the southern Chinese island of Hainan. While many design firms struggle now in Asia, Schmidt-Curley is proceeding with new projects and keeps chalking up multiple awards and recognitions.

No. 9 Wang Jun
Vice Chairman, China Golf Association
President, Forward Management
2013 Ranking: 4
China

Wang Jun is one of the most powerfully connected men in China's golf business. An influential figure among China's industrial elite, he helped to found two of China's biggest leviathans: the state-run investment conglomerate of Citic Group Corp. and the mammoth China Poly Group Corp. (military weapons and oil



exploration). However, development of golf courses in China has slowed considerably during the last 18 months.

No. 10 Dilip Thomas
Secretary General
Asia-Pacific Golf Confederation
2013 Ranking: 14
India

Dilip Thomas, the most connected and visible face of golf in India, chaired the ninth Sir Michael Bonallack Trophy — the prestigious amateur team event that pits Asia Pacific against the best amateurs of Europe this year. In September, he supported the golf events for the 2014 Asian Games in Incheon, Korea.

As the secretary general of the Asia-Pacific Golf Confederation, he heads up an organization that represents the 36 national governing bodies of amateur golf throughout the entire region of Asia and the Pacific.

In India, Thomas is an influential council member of the India Golf Union, where he chairs the coaching committee. He's an active member of the administrative committee of the International Golf Federation, which is in charge of golf's participation in the 2016 Olympic Games.



No. 11 Masato Mizuno	
Japanese Olympic Committee	2013 Ranking: 9
	Japan
No. 12 Paul Burley	
Vice President	2013 Ranking: 13
IMG Golf Course Services, Asia Pacific	Based in Singapore
No. 13 Le Van Kiem	
Chairman	2013 Ranking: Not ranked
Long Thanh Golf Investment and Trading Co.	Vietnam
No. 14 Murdaya Widyawimarta Poo	
President	2013 Ranking: Not ranked
Indonesian Golf Course Owners Association	Indonesia
No. 15 Admiral Tan Sri Dato' Setia Mohd Anwar Mohd Nor	
President	2013 Ranking: Not ranked
Malaysian Golf Association	Malaysia