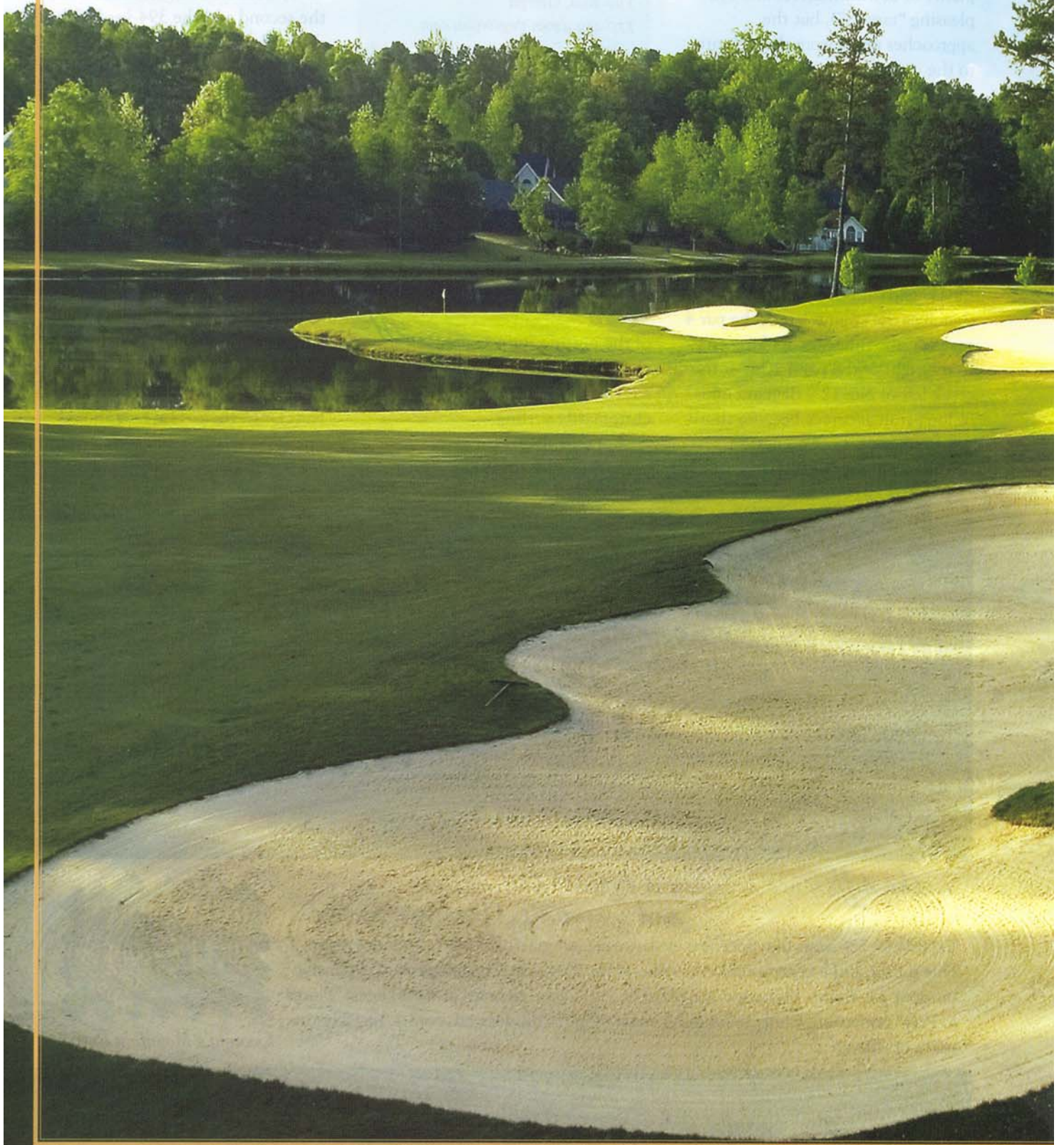


Private Matters
Canongate Golf Clubs





Private *without the* Price

BY PATRICK JONES

Listen up, Clark Howard. Atlantans have recognized for years that the surest way to land a bargain in this city is to tune into your consumer advice shows on WSB radio and television. You have cumulatively saved us millions of dollars with your spot-on guidance about airfares, mutual funds and extended warranty rip-offs. For that, we thank you.

But I'll wager the nest egg that not even you, the city's best-known penny pincher and deal maven, realized that Atlanta is home to what may be the country's best private golf club value. You may want to consider adding Canongate Golf Clubs to the next edition of your consumer survival guide.

Founded by the late William Roquemore in the 1960s, Canongate Golf Clubs has long been a staple of affordable private golf on Atlanta's south side. Roquemore's philosophy, known in the golf industry as the "Canongate Concept," was based on two basic beliefs: that private clubs can be affordable and that members should have more than one golf course to play.

Roquemore's venture into the golf course development business was literally a grassroots undertaking. His Lakeland-based Patten Seed Company was the first commercial provider of hybrid Tifton Bermuda grass sod. The company was planting its grass on golf courses in the 1950s and 1960s, when the popularity of golf exploded under the command of Arnold Palmer. This experience provided Roquemore with an opportunity.

"My dad started watching the golf business and his first thought was that it was one of the most poorly managed industries he had ever seen," says Roquemore's son, Rocky. "He decided that if clubs could survive running their businesses that way, we should be able to make a little money if we opened a course ourselves, managed it well and offered the best value in golf."

Armed with his simple concept, Roquemore commissioned legendary architect Dick Wilson to design the original Canongate golf facility, known as Canongate I. The course, located in

CANONGATE'S BRAELINN COURSE NO. 2

Sharpsburg near Newnan, opened on Labor Day 1965. Membership initiation fees were \$100, with \$25 monthly dues and a \$5 green fee.

“Dick was arguably the hottest architect at that time,” Rocky says. “With the \$5 green fee we charged when the course opened, it would be the equivalent today to playing a Tom Fazio course for \$35. It was a real value.”

With his flagship property in place, Roquemore steadily expanded the club’s portfolio of courses to include: Flat Creek, a 27-hole facility in Peachtree City; White Oak, a 36-hole complex in Newnan; the 18-hole Braelinn in Peachtree City; the 18-hole Chapel Hills in Douglasville; and Planterra Ridge, an 18-hole layout in Peachtree City. In 1999, an additional 18 holes were constructed at the original Canongate facility, coupled with the opening of the 27-hole Mirror Lake in Villa Rica. Joe Lee, a former Wilson associate; Rocky Roquemore, who studied under Lee and eventually partnered with him in business; and Jeff Burton formed the nucleus of Canongate’s course architects.

Canongate remained in the Roquemore family until 2003, when they sold the collection of courses to Sequoia Golf Holdings, a group headed by brothers Joe and Ken Guerra. The Guerra brothers, natives of California, brought with them a combined 30 years of experience in golf course management with one of the world’s largest golf course operators.

“No collection of clubs in America delivers more value to members than Canongate and, as a result, Canongate clubs enjoy unprecedented market share,” says Ken Guerra, referring to the reason he and brother Joe considered the company attractive enough to acquire. “We saw an opportunity to improve membership value even more by enhancing the existing facilities and offering the ‘Canongate value’ to more area families by adding more clubs.”

Under their leadership, Canongate has added Heron Bay in Locust Grove, the Davis Love III-designed Windermere Golf Club in Cumming and, in the sole foray outside the state, Pinecrest in Bluffton, S.C. (near Hilton Head), to the collection. In total, Canongate Golf Clubs encompasses 216 holes of golf at 10 facilities.

The company has also invested \$5 million in capital improvements to the legacy courses, including \$2 million to renovate the Flat Creek clubhouse, which reopened this spring, and \$500,000 worth of upgrades to White Oak’s

clubhouse. The remaining \$2.5 million in expenditures targeted makeovers of the remaining clubhouses and enhancements to bunkers, drainage, yardage marking and overall conditioning at all courses.

While course acquisitions and widespread improvements mark an evolution under the Guerras’ guidance, Canongate Golf Clubs’ basic foundation remains intact. This year marks the 40th anniversary of Canongate and Roquemore’s philosophy of affordable private golf, and the brothers have no plans to change things. With a membership roster that tallies 8,000, there’s no need – the numbers offer proof that William Roquemore’s market assessment was dead-solid perfect.

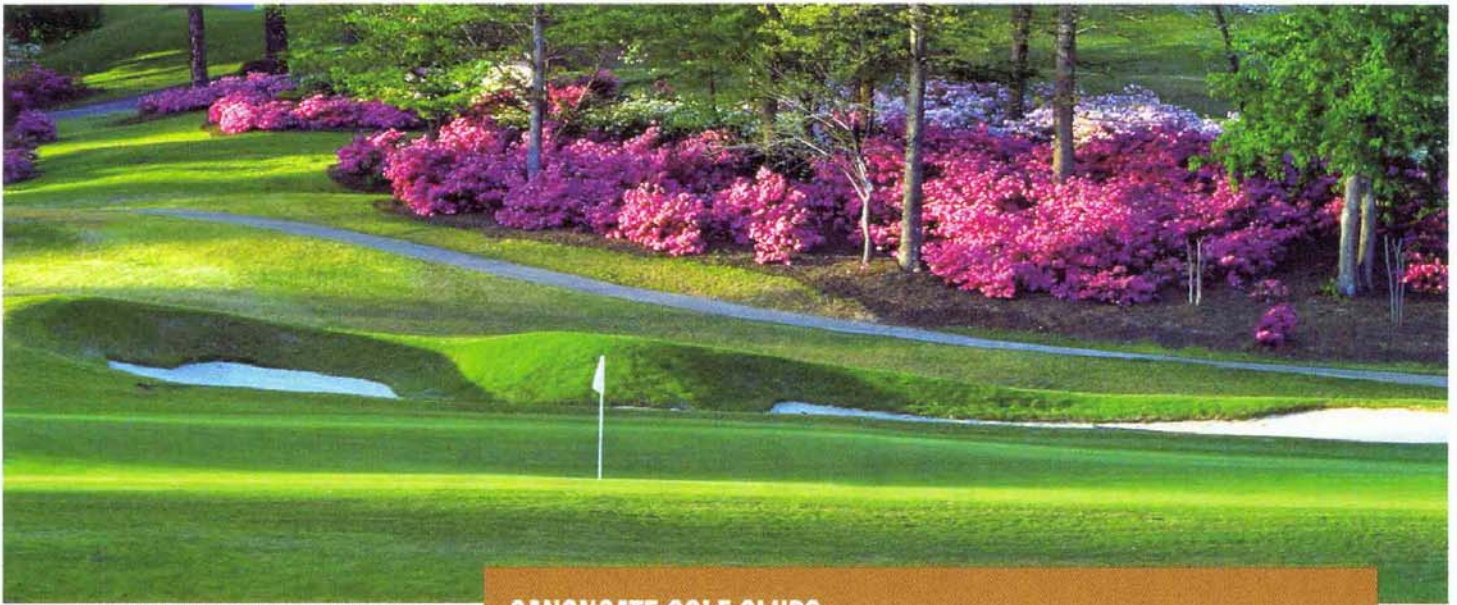
“Someone could have come in here and bought these courses and increased the dues fourfold,” says Kenneth Grace, a Canongate member who plays out of the original Canongate I course. “They’ve passed on some small increases, but they have taken the (Canongate) concept to the next level without changing the vision.”

For an initiation fee of \$750, members receive full reciprocity of golf, tennis, clubhouse and pool benefits at all sister clubs. Monthly dues remain less than \$100, and green fee surcharges are less than \$10 per round.

Although “Canongate Concept” is a reference most people in the golf industry would recognize, Ken Guerra contends there’s nothing like the business model anywhere else. “No other operator has this much golf this close together, with the exception of a super-high-end resort community like PGA West (in La Quinta, Calif.), where it would be \$100,000 to join and close to \$10,000 a year to be a member.”

Indeed, proximity is the component that differentiates Canongate and makes the value equation “work.” The model seeks to cluster facilities within a tight geographic area where, ideally, members can drive to three different clubs within 20 minutes. Members have access to all facilities but receive priority access at a “home club.” Quite often, a home club is a cluster of courses; for example, the three Peachtree City facilities are considered a home club for tee time purposes.

“There’s not a better golf deal, probably, in the country when it comes to your investment as far as the quality of golf and the access to golf courses,” Grace says. “From my house, I can get to 10 golf



CANONGATE'S CHAPEL HILLS COURSE NO. 9

courses that I can play as a member, and the farthest is only a 20-minute drive away.”

For all the talk about value, course quality and conditioning are equally important for members. On that front, Canongate also delivers. White Oak, Planterra Ridge and Braelinn have all hosted U.S. Open qualifying tournaments. White Oak also staged Monday qualifying tournaments for the PGA Tour's Buick Open when the event was still being played at nearby Callaway Gardens in Pine Mountain.

“When you have quality PGA Tour players playing on your golf courses, it makes you feel good,” says Rick Gardner, a Canongate member who has played out of White Oak for 15 years. “That speaks volumes about their quality. You know they are respected layouts.”

Grace concurs. “All of these courses, from tee to green, are good golf courses. The grounds are not Atlanta Athletic Club or some of the city's other premier facilities, but you aren't paying for that. I'd rather have a weed-free course, level tee boxes, good fairways and smooth greens, and not worry about the azaleas that are on the drive in (to the club) because I am a golfer.”

CANONGATE GOLF CLUBS

770.463.3949; www.canongate.com



CANONGATE'S WINDERMERE COURSE NO. 18

NAME	Location	Designer	Phone
CANONGATE COLLECTION BRAELINN	Peachtree City, GA	Joe Lee, Rocky Roquemore	770.631.3100
CANONGATE (36 holes)	Sharpsburg, GA	Dick Wilson (original 18), Joe Lee, Rocky Roquemore, Jeff Burton	770.463.3342
CHAPEL HILLS	Douglasville, GA	Rocky Roquemore, Jeff Burton	770.949.0030
FLAT CREEK (27 holes)	Peachtree City, GA	Joe Lee	770.487.8140
HERON BAY	Locust Grove, GA	Jeff Burton	770.320.8500
MIRROR LAKE (27 holes)	Villa Rica, GA	Rocky Roquemore, Jeff Burton	770.459.5599
PINECREST	Bluffton, SC	Rocky Roquemore	843.757.8960
PLANTERRA RIDGE	Peachtree City, GA	Rocky Roquemore, Jeff Burton	770.487.8141
WHITE OAK (36 holes)	Newnan, GA	Rocky Roquemore, Jeff Burton	770.251.6700
WINDERMERE GOLF CLUB	Cumming, GA	Davis Love III	678.513.1000

With the recent acquisition of Windermere, Canongate appears poised to expand its reach and introduce more golfers to the Canongate philosophy. Guerra says there are several more deals in the Atlanta area – including more on the north side – that are “imminent.”

William Roquemore would certainly approve. But a company that provides quality products at affordable prices?

Widespread adoption of the Canongate Concept in other businesses could knock Clark Howard's complaint shows off the airwaves. ♦

