

SAGE GOLF GROUP Ponte Vedra Beach, Florida

Redefined Mission

The business plan made perfect sense: Take a group of experts with 225 years of combined experience at the TPC network and create a golf management company to help developers build and run high-end golf clubs from the ground up. That was the concept Pete Davison unveiled when he launched Sage Golf Group in 2007.

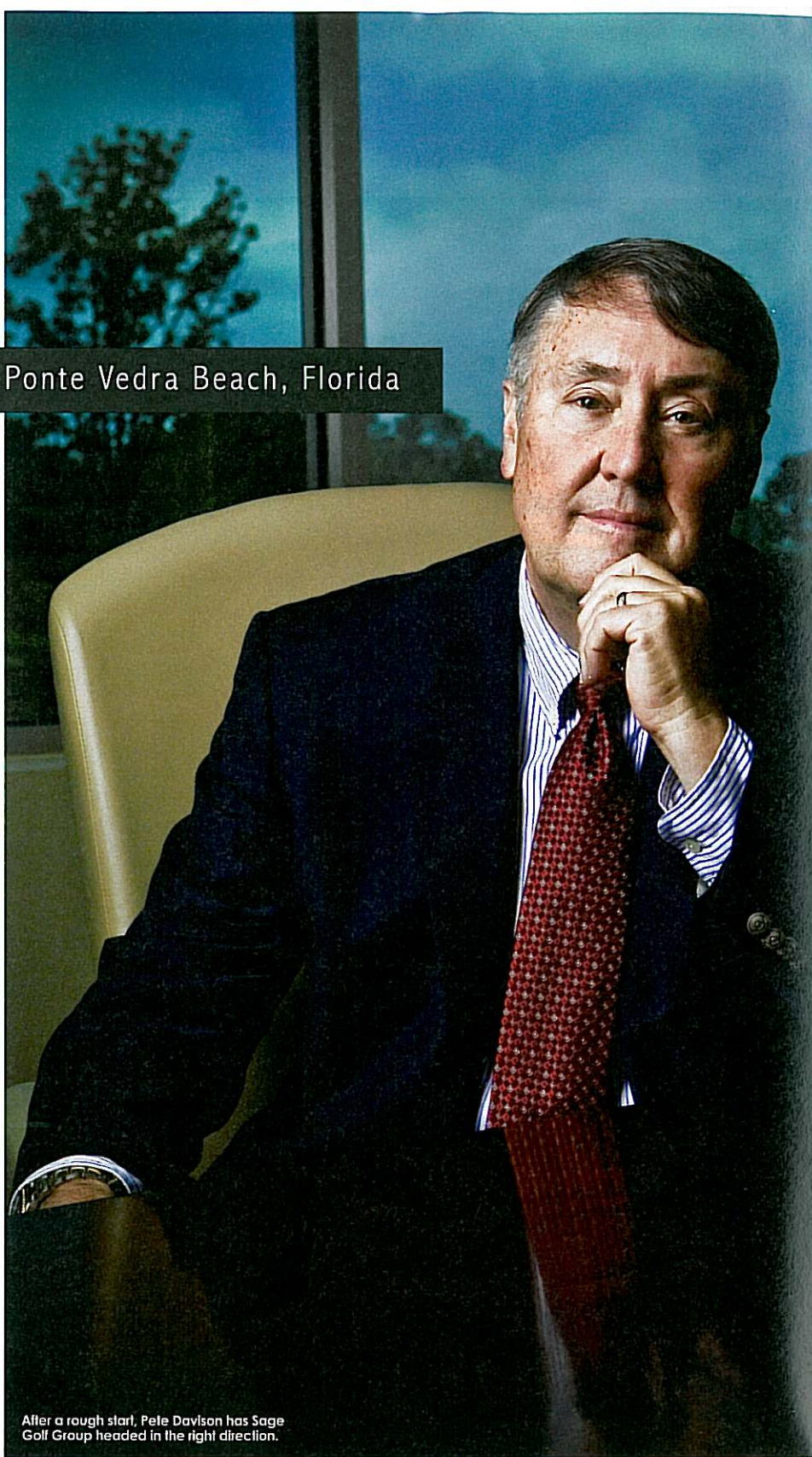
After spending 25 years running TPC clubs for the PGA Tour, Davison assembled a team of colleagues that understood how to construct and manage four- and five-star facilities. He had the top Tour agronomist, food-and-beverage experts who had built and managed multi-million-dollar food operations, human resources experts, accountants and professionals at every level. They started Sage Golf Group with a dozen upscale development deals on the cusp of closing. What could possibly go wrong?

Well, the bottom fell out.

"All of those projects stopped," Davison says. "They either lost their financing

or put everything on hold. It's a similar story to what happened with golf course architects."

Suddenly, one of the most talent-heavy management companies in the business had no facilities to operate. "Because all but two of the TPC clubs



After a rough start, Pete Davison has Sage Golf Group headed in the right direction.

Pete Davison, President & CEO

WHAT HAS BEEN YOUR BIGGEST RECENT CHALLENGE?

By far, it was the financial crisis that shut down all upscale golf development in the United States.

HOW DID YOU OVERCOME IT?

Like a lot of people, it took a while to see what was going on and to realize that there weren't going to be any new projects. There is some new construction in India and China and other parts of Asia, but we made the decision that we really needed to focus on [working with] existing clubs and convincing owners that we could help them. We've identified a number of clubs that fit our criteria and we've reached out to them.

WHAT IS YOUR PROUDEST ACCOMPLISHMENT?

Making the adjustment away from new development and repositioning ourselves. We realized that our expertise could help a lot more people than just the new course developer.

were clubs that we built from scratch and managed, we were going to focus on new projects because we thought we had a unique set of skills in that area," Davison says. "We wanted to make developers successful from scratch. What we ended up having to do was revisit our mission and focus on existing upscale properties."

Restructuring the mission of the company on the fly, Davison repositioned Sage as the boutique alternative to the larger upscale management

"We'll focus on acquiring or signing a dozen clubs in the next 12 months."

It isn't the start Davison originally had in mind, but the new business plan for Sage is allowing the company to grow at a time when the upscale market continues to contract.

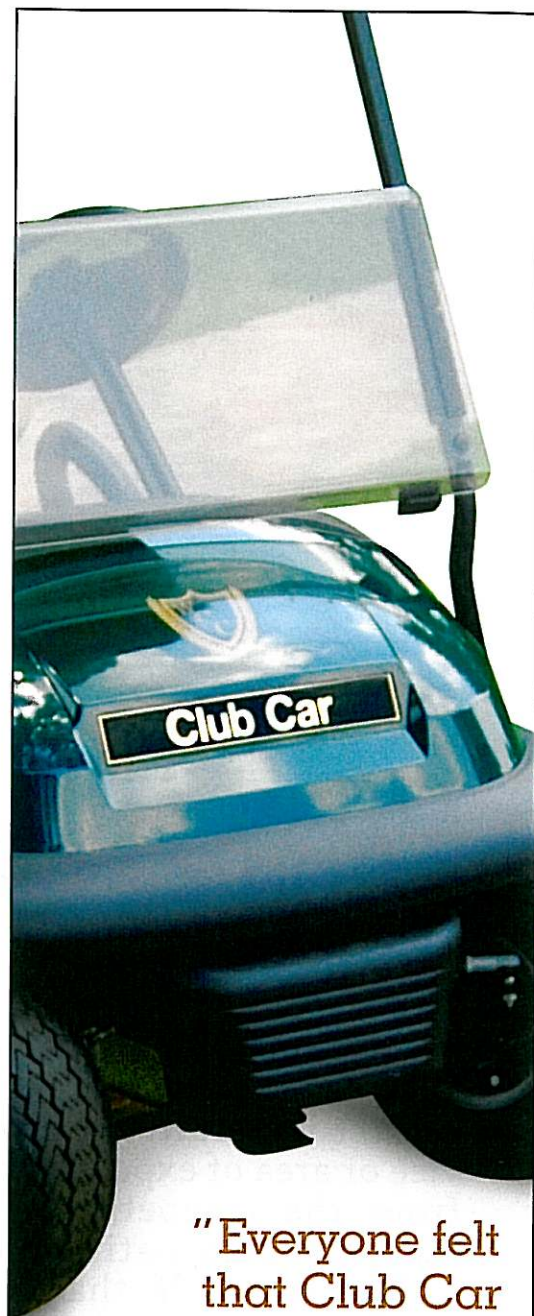
"No doubt it's been difficult, given that we had a false start," Davison says. "But experience and service usually win the day. Clubs are able to spend time with each of our experts, who are some of the best in the world. In a large company setting, you get a much-less-experienced person managing your club."

companies in the business.

"What's happening is that a lot of developers look at a large company like that and say, 'We're going to be a small fish in the ocean with these guys,'" Davison says. "We could hire a company like Sage and be a big fish in a pond. That's what we've been trying to sell."

By adapting to today's realities and being flexible enough to quickly refocus his company, Davison has been able to carve out a successful niche. Sage Golf manages one club in Houston, Victoria National in Indiana and the six courses at Desert Mountain in Arizona. The company is also overseeing a development project on the island of Cypress.

"We have five or six clubs in our pipeline and are focusing now on purchasing distressed properties," Davison says.



"Everyone felt that Club Car was the vastly superior car."

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