

Good news from Dubai – Golf Business Forum 2011

Along with springtime we more often think about spending our free time actively in the open air, and this includes playing golf. During this season the activity of both amateur and professional golf players is increasing, as well as the activity of “players” on investment market. Springtime, especially in golf industry, is always an incentive to intensify business activity, both in Poland and outside of it. One of regular business meetings, which stimulate business growth, is Golf Business Forum organized annually by KPMG, which this year took place in Dubai on 17-19 April. In the meeting, which is considered one of the most important events in the golf industry, participated almost 300 delegates who spent three fruitful days in the prestigiously located Park Hyatt Dubai hotel; the Polish side was represented by representatives of GolfProperties.pl – president Maciej Kawecki and Piotr Malepszy, who this time performed the functions of sponsors. The conference traditionally provided great opportunity to exchange experiences for all participants somehow related to the world of golf – golf resorts owners, investment funds representatives, bankers, investors, consultants, tourism companies, architects, suppliers, and golf course operators.

During this eighth session, which took place in face of global economic decline, the discussion concerned current trends, challenges, chances, and threats to golf industry and its prospects, especially in the short and medium term.

After initial welcoming of guests by the hosts – representatives of KPMG, the meeting was officially opened by His Highness Sheikh Ahmed bin Saeed Al Maktoum. Afterwards, Colin Montgomerie, the captain of the victorious Ryder Cup 2010 team, took the floor. The delegates listened to talks given by prominent specialists related to the golf industry. The mentioned topics were an incentive to heated discussions, between which the participants discussed current golf projects in particular countries. Considering the delegates’ opinions and their experiences, we may dare to say that the industry is experiencing significant growth. The chosen, prepared in previous years golf-development projects, which were halted due to problems on financial market, are currently entering the stage of realization. Investors again value the niche on the market, which is constituted by golf property, and using favorable situation on the market invest with growing optimism obtaining fairly decent returns. It is worth mentioning that the growing number of various entities which are eager to invest in golf resorts, is reappearing on the market; including investment funds and private equity funds which more willingly engage themselves in those profitable enterprises. It’s a good news for developers and people planning alike investments, which receive increased interest in many countries, including Poland.

During the conference many speakers stressed that this is the right time to buy golf property at attractive price and with the prospect of quick, high, and certain return on the investment. It’s estimated that an investment in this kind of property in the current economic situation can, in some localizations, give several hundred percent return during next few years.

During the event there were presented model examples of golf resorts, which despite the harsh economic situation managed well with the current challenges, and, in many cases, made investments ‘against the odds’, making use of opportunities offered by the market and gaining substantial profits.

The discussion also concerned the industry’s prospects in North Africa, where the golf business boom was threatened by recent political situation. Forecasts for this market are not unequivocal, but large group of the participants claimed that despite the civil unrest in this part of the continent, the prospects are favorable.

During the backstage talks the participants observed an increase in golf investment dynamics and stressed its massive development potential also in Poland and other countries of our region. Maciej Kawecki observed that 'East-Central Europe is a region of great potential for development of golf business. New investments and a growing number of golfers indicate very good prospects for the future of golf market in this region.' This situation is reflected in high interest in this sport exhibited by tourism operators and developers, who while planning investments, in short term also in Poland, attempt to respond to changing market needs and growing demand.

The research run by GolfProperties.pl indicates that also in Poland a growing number of investors is interested in putting available funds into golf resorts bearing in mind favorable conditions on this market.

Following the annual tradition, individual awards were granted during the Golf Business Forum. Among various participating guests, the special lifetime achievement award was given to dr. David Chu – a great promoter of golf – called "the Father of Golf in China." The award, taken by his son Tenniel, affirms Chu's contribution to the golf industry in his homeland.

Also this time, the organizers of the eighth session of KPMG Golf Business Forum 2011 satisfied needs of the participants. They organized the conference which exhibited high professional and organizational level. The Forum indicated global growth directions of golf, established business models, and, what's important, positively inspired the golf environment.

George O'Grady, who represented European Tour, emphasized the importance of annual KPMG Golf Business Forum for people who make decisions in the global game; 'In this year, the three-day party in Dubai was outstanding, best of all, and the present guests – some of the most influential people in the golf world – presented many issues which currently influence development of the game. This is encouraging to hear that so many business leaders see positive signals on the market, which gives hope for overcoming the period of economic uncertainty.'

Maciej Kawecki from GolfProperties.pl said: "We're pleased to take part in this event – this time in Dubai which is a very interesting place. The economic growth is well observable in the industry and we are sure that in a year time we will meet in even better moods."