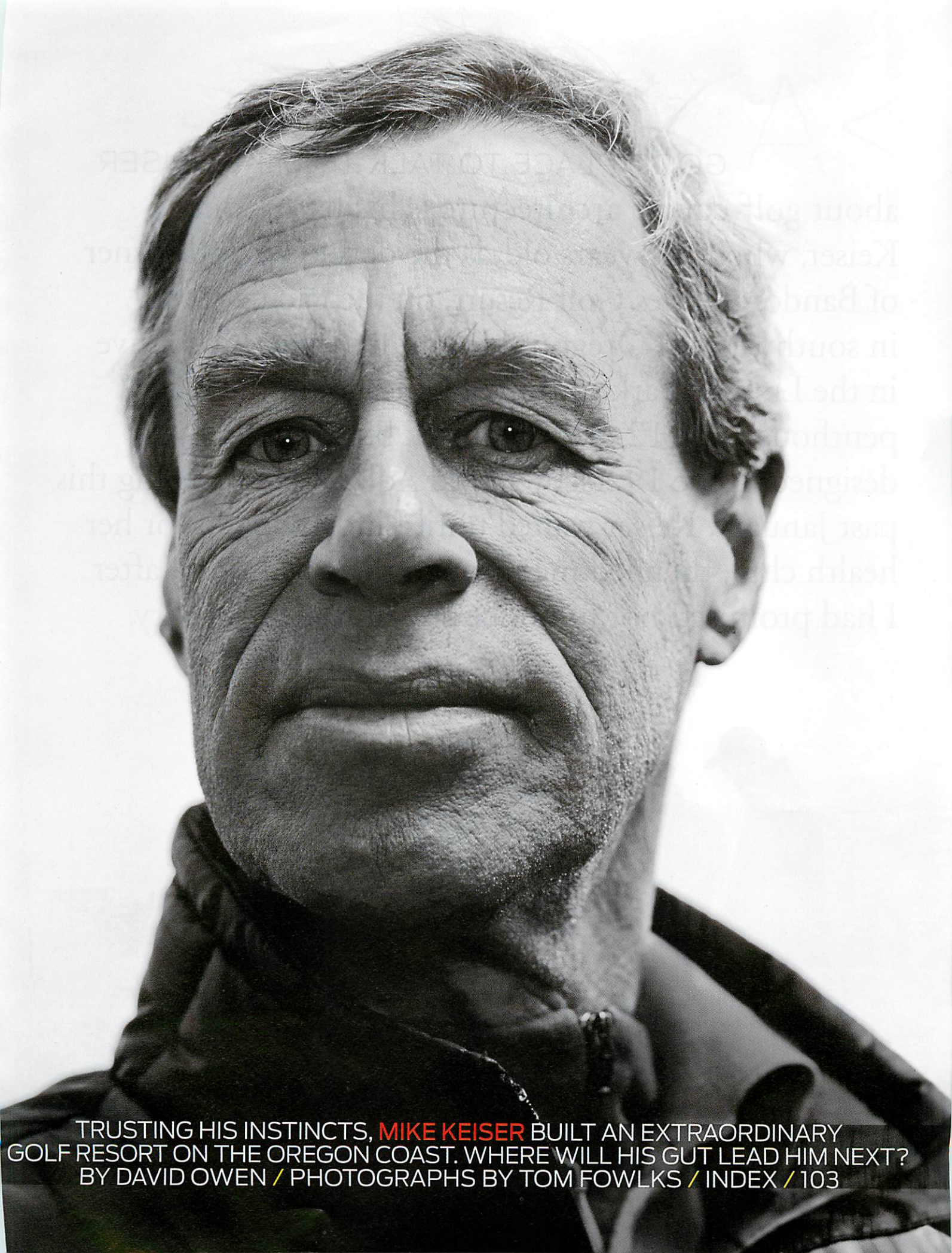


> TO  
BANDON...  
AND  
BEYOND





TRUSTING HIS INSTINCTS, **MIKE KEISER** BUILT AN EXTRAORDINARY GOLF RESORT ON THE OREGON COAST. WHERE WILL HIS GUT LEAD HIM NEXT?  
BY DAVID OWEN / PHOTOGRAPHS BY TOM FOWLKS / INDEX / 103

> A GOOD PLACE TO TALK TO MIKE KEISER

about golf-course architecture is his bathroom.

Keiser, who is 61 years old, is the developer and owner of Bandon Dunes Golf Resort, on the Pacific coast in southwestern Oregon. He and his wife, Lindy, live in the Lincoln Park section of Chicago, in the vast penthouse of a 12-story redbrick building that was designed in the 1920s by David Adler. One morning this past January, Keiser waited until Lindy had left for her health club, then led me through their bedroom, after I had promised not to notice any unfolded laundry.



"This is it," he said, standing in front of the walk-in shower. "This bathroom is not the best thing Adler ever did, but it's sort of typical of the '20s, and it hasn't been touched since then. He did the walls in gold leaf, which, as you can see, is now receding, and the ceramic floor tiles are deteriorating. Many people would just rip it all out, and, in fact, one day we'll have to sell this place, and the new owner will probably say, 'I'm sure it was nice in the '20s and '30s, but. . . .' Lindy and I will never change it, though. It reminds me, in a general way, of National Golf Links or Shinnecock or Cypress Point."

Almost all of Keiser's favorite golf courses, other than his own, were built before World War II, during the era when designers lacked the inclination and the heavy machinery to drastically alter existing terrain. "In the old courses," Keiser says, "nature's quirks were incorporated rather than obliterated. I like that, and I think other golfers do, too."

His ideas about course design coalesced in 1986, during his first golf trip to Ireland and Northern Ireland. Ballybunion, Royal County Down and the other great Irish seaside courses were a revelation to him, and he decided that this was how golf was meant to be, with unfetishized fairways, obstacles created by natural forces, unpretentious clubhouse, and no carts. Modern courses, he believed, had depended too much on bulldozers, dynamite and towering egos, and one result had been a sort of soulless uniformity. He prefers his golf courses the way he prefers his bathrooms: respectful of the past and ragged around the edges, just like Bandon Dunes.



KEISER IS TRIM and athletic-looking, and he has curly graying hair. In the mid-'80s, Mike Royko mentioned him in a newspaper column after spotting him jogging along a Chicago street with a golf club in his hand, on his way to spend his lunch break hitting balls at a driving range. He chews gum. The most surprising fact about him, given his apparent fitness, is that, until a few years ago, when his family pre-

vailed upon him to quit, he was a regular cigarette smoker. He drives a leased Lincoln LS, a car so nondescript that undercover cops could use it. He resists self-promotion, but, once cornered, is too gracious not to answer questions.

Keiser graduated from Amherst in 1967, married Lindy Curme (whom he had met when she was a freshman at Smith) and avoided the draft by spending four years in the Navy. After being discharged in 1971, he and his old Amherst roommate, Phil Friedmann, scrounged \$500 apiece and started Recycled Paper Greetings, which printed greeting cards on 100 percent recycled paper. They launched their company on the first anniversary of Earth Day.

"We never thought the cards would be a big thing," Keiser says. "We thought that Hallmark and American Greetings would read about the company and say, 'Silly us, let's do recycled paper, too,' and put us out of business. But the big companies thought it was a fad, and they maintained that position for the next 20 years." RPG's annual sales reached \$100 million in the late '70s and have fluctuated near that number since, giving the company about 2 percent of the U.S. greeting-cards market. (Hallmark and American Greetings together have about \$6 billion in annual sales and more than 90 percent of the market.) Keiser and

another, and he bought likely properties on both coasts. (Keiser's real-estate buying M.O. is to say yes, pay cash and ask questions later.) His chief advisor and land scout was his friend Howard McKee, a Chicago architect and planner. Eventually, they focused on a 1,200-acre parcel that McKee had found next to Bullards Beach State Park, just north of Bandon, Ore. The town was tiny, the drive from Portland was four and a half hours, there were no significant airports, hotels, golf courses or golfers nearby, the wind from the ocean often blew 50 miles an hour and the annual rainfall was measured in feet.

But the terrain looked like Ireland, and the property ran along a cliff above the Pacific, and the success of the Dunes Club had given Keiser faith in his intuition, so he bought it for less than \$2,000 an acre. "People kept telling me to do a marketing study," he says, "but I knew what a marketing study would say. It would say there was no market. Why would I want to hear that? I was going to build the golf course anyway."

I first heard about Bandon Dunes from two golf-course photographers, who, among other regular assignments, take the pictures of Augusta National Golf Club that appear in the annual Masters calendar. They had just done a shoot at

'I KNEW WHAT A MARKETING STUDY WOULD SAY. IT WOULD SAY THERE WAS **NO MARKET**. WHY WOULD I WANT TO HEAR THAT?'

Friedmann manage the company the way they always have, by outsourcing almost everything and assiduously cutting costs. They share a single office in RPG's Chicago headquarters, a century-old former dairy near Wrigley Field. Inside, you can still see the concrete ramps on which the cows were moved upstairs to be milked.

In 1989, Keiser invested some of his new wealth in building the Dunes Club, a nine-hole golf course in New Buffalo, Mich., where he and Lindy had a weekend house. The course, designed by Dick Nugent, cost less than \$1 million to build. Almost immediately, Ron Whitten, Golf Digest's architecture editor, named it America's best nine-hole course. Today, it has 92 members, who pay annual dues of \$5,500. (The initiation fee is \$35,000.) Most years it breaks even. When it falls short, Keiser chips in the difference.

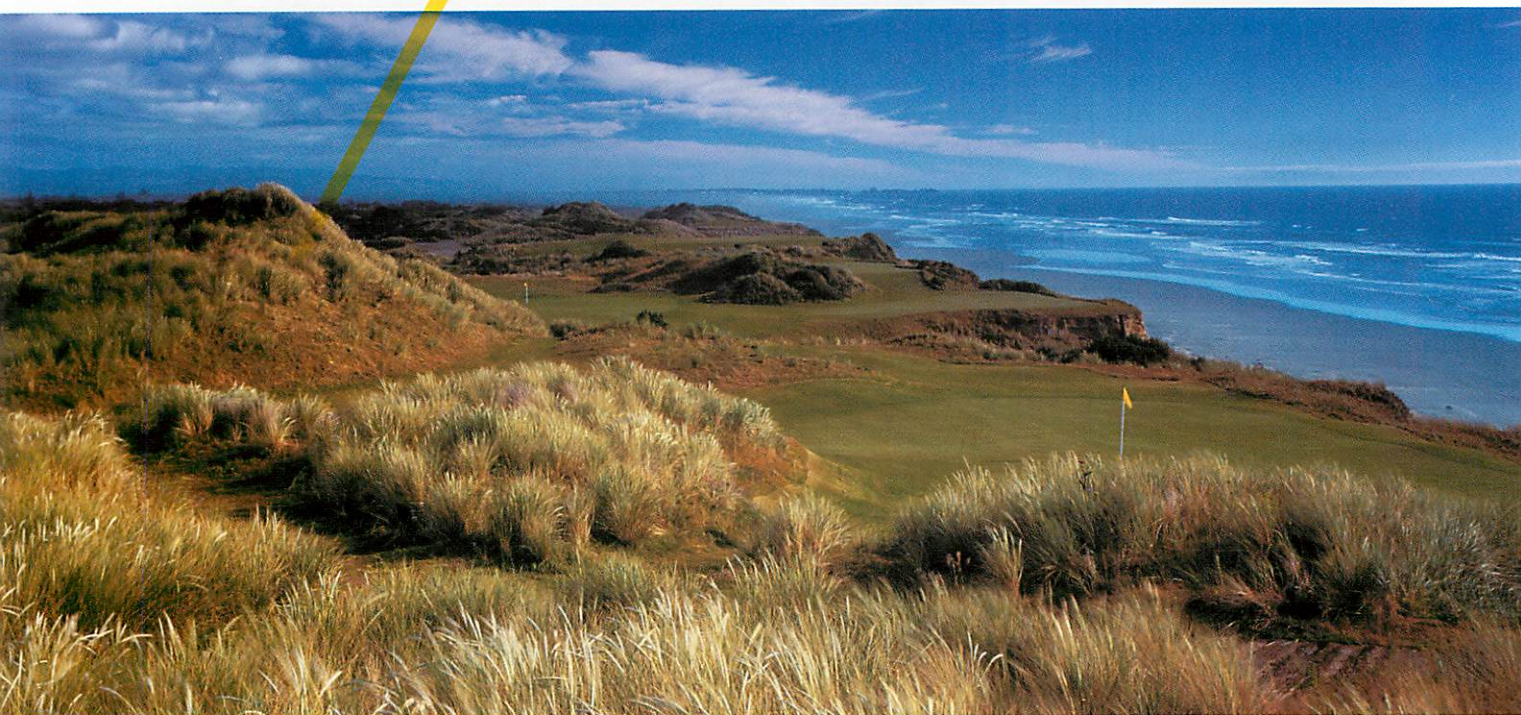
Building one course made Keiser yearn to build

Bandon Dunes, and they said it was the most beautiful course they'd ever seen, a Scottish or Irish links transported to Oregon. When I finally got my chance to play it, this past February, Bandon Dunes was known as one of the country's best public golf destinations, if not the best.

"The response of the American golf guy has been stunning," Keiser says. Golfers at Bandon and elsewhere often introduce themselves to him to thank him for building it. The operation is modestly profitable—proof, Keiser says, that you don't have to build houses along fairways to make money from golf. The resort has been so busy that Keiser has been able to build two additional

Previous pages: Mike Keiser visits Canada's Cape Breton Island, possible site of his next golf resort. Left: Keiser and team discuss potential hole locations.

The 11th hole at Pacific Dunes,  
14th among America's  
100 Greatest Golf Courses.



courses: Pacific Dunes, which opened in 2001, and Bandon Trails, which opened in 2005. In his original business plan, back in the late '90s, he figured that, given the remoteness of the location and the walking-only requirement, he'd be lucky to attract 8,000 rounds a year. By 2006, the three courses were handling 120,000 rounds a year, and golfers were being turned away.

The resort's eponymous first course, which opened in 1999, was designed by David McLay Kidd, a young Scotsman whose previous design credits consisted of one driving range and two forgettable 18s. Keiser, characteristically, hired him without visiting any of those projects. (He had earlier considered other possibilities, including running a contest in which amateurs would design the holes.) He chose Kidd partly because he likes to make even big decisions without overthinking them, and partly because he trusted the judgment of Kidd's father, James, a legendary golf superintendent and the chief agronomist at the Scottish resort Gleneagles. "David grew up at Gleneagles and at Machrihanish, and his dad was steeped in golf," Keiser says, "and I thought that David had probably picked up enough in playing and traveling with his dad to be a better bet to build a Scottish links course than any American

designer. That, finally, was my math." Kidd, post-Bandon, has gone on to establish a successful international practice. Pacific Dunes was designed by Tom Doak, who, as a result, is one of today's hottest golf architects; Bandon Trails was designed by Bill Coore and Ben Crenshaw, whose best-known course is Sand Hills, in Nebraska, of which Keiser was a founding member.

Keiser likes to say that the golf team at Amherst was bad enough to have included him; his Index is now 9.6. He joined my group on the fourth hole at Bandon Dunes—his 19th hole of the day and our 22nd—in light, steady rain. He had spent the morning playing in a "superintendent's revenge" tournament on Pacific Dunes—a four-man scramble for employees, for which the holes had been cut on severe slopes, near deep bunkers and in other aggravating locations. Keiser is extremely popular with his staff, most of whom call him Mike. He is now the largest private employer in the region, where the old job mainstays—commercial fishing and timber-products manufacturing—have disappeared or are disappearing.

Bandon uses roughly 350 caddies, about a third of them local, and the ones who work all year are able to earn a good living doing that alone. All are independent contractors, but Keiser treats them like 20-year employees. He just built a new caddie pavilion, which contains an enormous flat-screen TV, a dining room (with a low-cost, eight-page

#### THE GOLF COURSES (SO FAR) OF MIKE KEISER

**The Dunes Club** There are just nine greens, but Keiser has his superintendent's staff move the cups between loops, so that almost everyone who goes around more than once sees different hole locations. The tee boxes, which are large, have no tee markers. The local rule is that the winner of the previous hole gets to pick the spot.

**Bandon Dunes** The original. Its ocean views are marginally less stirring than those at Pacific Dunes, but it's a great course, and it grows in the mind with repeated play.

**Pacific Dunes** Tom Doak made the absolute most of a piece of land that he has described as "clearly one of the 20 or 30 best that anyone has ever dedicated to golf."

**Bandon Trails** This would be a destination course in any other context. It has more hills and trees than Bandon or Pacific, and it's situated well inland, but it's a very worthy addition to the resort.

**Old Macdonald** Tom Doak, Jim Urbina and others are collaborating on this tribute to Charles Blair Macdonald, whose National Golf Links of America in Southampton, N.Y., is one of Keiser's favorites. Scheduled to open in 2010. D.O.

menu) and a pair of industrial-strength rainsuit driers, among other amenities. At last year's annual PGA Merchandise Show in Orlando, Bandon's boyish director of golf, John Grothe (who defected to Bandon from Pebble Beach), was approached by a representative from another club, who complained that Bandon was overindulging its caddies. Grothe thought he was joking, but he was serious: His caddies wanted to be treated as well as Keiser's, and he didn't like it.

When we reached the 17th tee, Keiser pointed across a ravine into Bullards Beach State Park, which is just down the coast, directly to the south. "That's what this property looked like when we started," he said. Bullards is covered with dense vegetation, mostly gorse, a seasonally beautiful but diabolical shrub familiar to anyone who has played golf in the British Isles. Bandon's first

to McKee, the resort's closely mowed fescue turf, in the view of various state and local regulatory bodies and environmental groups, is a native, nitrogen-monopolizing gorse-asphyxiator, and the fairways are firebreaks.

Gorse-removal is well underway for a fourth Bandon course, just east of Pacific Dunes, with some ocean views. Called Old Macdonald, it is scheduled to open in 2010. It is being designed by Tom Doak and several others, and is intended as a tribute to Charles Blair Macdonald, who designed National Golf Links and the Yale Golf Course. From the eighth tee at Bandon, Keiser pointed out a few unfinished holes of a possible fifth course, just visible to the north, on a sloping adjacent property called the Sheep Ranch, which is jointly owned by Keiser and his greeting-cards partner, Phil Friedmann. The holes were roughed out by Doak a couple of years ago and can actually be played; the Sheep Ranch will eventually join the complex, and Keiser owns enough land to build at least one or two more courses as well.

The new construction is good news for any golfer who has tried to reserve a tee time at Ban-

Keiser, admirably, has never built himself a house at Bandon; when he visits the resort—something he does for a few days every six weeks or so—he stays in the Lodge (which has 17 single rooms and three four-bedroom suites) or in one of three clusters of similar accommodations nearby. "I go to Bandon Dunes not as the owner but as the retail golfer," he says. "What am I seeing? What am I liking? What am I not liking? I insist on it being a simple, informal, fun experience, so that I can't wait to go back out and play golf, and I can't wait to go back to Bandon Dunes."

Nevertheless, in my view, the accommodations are the only significant false notes at the resort. The Lodge interior ought to have been something like the Oregon version of an Adirondack camp but instead looks like the waiting room of a large medical practice. The restaurant is overpriced and unimpressive, and to get to the Bunker Bar, a hangout on the lower level, you have to wind along a lengthy fluorescent-lit hallway transplanted from an office park. The accommodations area around the Lodge is called a "village," but it feels more like a suburb, and the unshielded street lights obliterate what would otherwise be a spectacular nighttime sky.

It's hard not to wish that the nongolf amenities at Bandon had been shaped by the same unerring sensibility that created the courses, and it's equally hard not to be at least a little apprehensive about what lies ahead. One of Keiser's goals is "to build Bandon into America's St. Andrews." Howard McKee walked along with us for nine holes one day, and he said he struggles constantly with the issue of how to bring the Bandon experience to the maximum number of golfers without changing

From left: Keiser at Amherst; with daughter Leigh, son Chris, son Michael, wife Lindy and daughter Dana; with architects Tom Doak and Jim Urbina at Pacific Dunes.



gorse bush was planted in the 1800s by a farmer, an Irish immigrant who missed the old country, and it rapidly spread almost everywhere, growing to heights that Irish gorse bushes can only dream of.

"The gorse was the key that opened the gate," Keiser explained, "because in Oregon it's an invasive species and a fire hazard. The Nature Conservancy had considered buying this site, which had been on the market for almost five years, but because it was covered in gorse it had no value to them." Howard McKee won approval from the state's famously grumpy land-use authorities, a four-year ordeal, by presenting Bandon Dunes partly as a noxious-vegetation-abatement program. Thanks

## A NEW BUSINESS ARRANGEMENT ALLOWS KEISER TO DEVOTE **MORE TIME TO GOLF—** AND HIS OTHER PASSION, PHILANTHROPY.

don and learned that the resort was booked, but there might come a time when more of a good thing becomes too much. Keiser is about to build a second lodge, near Bandon Trails, and he is planning to build a cluster of privately owned houses near Old Macdonald. The houses will be relatively small, just 2,000 square feet, and they won't be placed next to fairways. Still, the project suggests a softening in Keiser's determination not to let Bandon Dunes become a rich-guy preserve.

that experience too much from what it was in the beginning. Golf fans everywhere should hope that he and Keiser will be more successful than St. Andrews has been in recent years at avoiding the pitfalls of popularity. One clear sign of Keiser's success at Bandon Dunes is that visitors tend to go home feeling they have a personal stake in its future.



LAST YEAR, Keiser and Friedmann sold Recycled Paper Greetings to a private-equity firm and then, as part of the deal, each bought back 10 percent at the purchase valuation. They still participate in running the company, but they're moving toward retirement age, and their children have never been interested in the greeting-cards business, and the new arrangement has given Keiser the time and the means to devote more attention to his main nonfamily interest—which is not golf, surprisingly, but philanthropy.

"I met someone years ago who challenged me," he told me in Chicago. "He said that he was running his life as follows: For every dollar he spent, he and his family would give four dollars to charity. Now, you have to have excess funds to do that, but this was not a super-rich guy, and that statement captured my attention. Lindy and I have been trying to run our lives like that ever since." I asked whether he gave away four dollars for every dollar he spends. "We try to exceed it," he said. "You really can't take it with you."

Many of Keiser's philanthropic interests involve providing educational opportunities for disadvantaged children. Keiser is the chairman of the board of the Rehabilitation Institute of Chicago, which was in the news earlier this year for its development of a "neuro-controlled" limb that amputees can operate by thinking. Keiser, under the name Bandon Biota, has spent millions buying up environmentally threatened areas

near Bandon Dunes, in conjunction with Oregon Trout, a conservation group.

Keiser's new business arrangement has enabled him to deepen his involvement in golf. In addition to expanding Bandon Dunes, he has been shopping for similar projects elsewhere. He and Lindy recently visited a Tom Doak course called Barnbougle Dunes in Tasmania. "It's more remote even than Bandon Dunes," he says, "yet the guy who owns it is making money with it." Keiser might invest in a second course nearby.

He's also looking at a possible project in Nova Scotia, where some of the coastal terrain resembles linksland. Not long ago, he and Bill Coore, the co-designer of Bandon Trails, visited two possible sites in northern Cape Breton Island and were impressed by what they saw. Nova Scotia's golf season lasts from May to September, but Highland Links, a seaside course, did 27,000 rounds in 2006, and the region receives more than 400,000 visitors a year. The project, if it happens, will be designed by Rod Whitman, a Canadian protégé of Coore's. Keiser describes one of the two sites they looked at as "va-va-voom," and says his goal in Nova Scotia is to build "Bandon Dunes East."

"Nova Scotia," incidentally, means "New Scotland"—which, thanks to Keiser, might be a reasonable translation of "Bandon Dunes" as well. ■

## KEISER DESCRIBES ONE CANADIAN SITE AS 'VA-VA VOOM'—A POTENTIAL 'BANDON DUNES EAST'

### WANT TO BE LIKE MIKE?

Here's what it takes to build your own course

There are no absolutes in golf design, especially when it comes to cost. But the American Society of Golf Course Architects, in its recent publication, *Building a Practical Golf Facility* (written by veteran architect Dr. Michael Hurdzan), offers detailed cost estimates for an 18-hole course in the Midwest.

Want a low-cost budget layout? You'll need 150 acres of rolling terrain with sandy soil to provide natural drainage and few trees that must be cleared. If you can find a starving artist willing to design the course for a mere \$20,000, and you're willing to have topsoil greens with no internal drainage, no cartpaths, no bridges, a one-room clubhouse, a one-stall maintenance building and a modest irrigation system, you could get a course in the ground and ready to play for \$849,500. That would include a lighted driving range, but without target greens.

Prefer a deluxe design on 150 acres of rocky, forested land? A name architect will cost \$1.25 million, removal of trees and rocks at least \$500,000 and a state-of-the-art irrigation system nearly \$1 million. You'll spend \$500,000 on fairway drainage, \$300,000 on topsoil and \$600,000 on greens built to U.S. Golf Association specifications for optimum drainage. Sand-based tee boxes will cost \$90,000, paved continuous cartpaths about \$400,000, plus another \$100,000 if bridges are necessary. You'll want at least a 10,000-square-foot clubhouse (\$1.5 million) and an 8,000-square-foot maintenance facility (\$200,000). Add other essentials such as artistic reshaping of the land, sod and a full-service practice facility, and the total cost will be at least \$11.2 million.

Neither example includes the cost of the land, which could be minimal if the property is leased long term, or millions if you purchase land in a metropolitan area at market value. Also not included are the salaries of employees needed to start up, manage and maintain the course. Unless you want to quit your job and put your family to work, you'll need a dozen or more employees. A quality superintendent is essential and should probably be the highest-paid employee on your staff, earning \$75,000 to \$100,000 in the Midwest and higher on the coasts. Ron Whitten

Keiser in Nova Scotia:  
Is this his next frontier?

