

# MEET GOLF'S BILLION-DOLLAR MAN

"David Southworth is one of the most solid guys in the golf industry." – JACK NICKLAUS

By Mark Pazdur, Publisher

NEWTON, MASSACHUSETTS: David Southworth, president and CEO of Southworth Development, is a maverick in the industry. A self-made man, he held his powder dry when other developers were expanding rapidly. The upshot: when the market softened and developers contracted, he was able to capitalize.



David Southworth, President & CEO Southworth Development

David is a powerhouse in the world of golf development, having developed over \$2 billion in golf and hospitality projects during his career.

### UNLIKELY PATH TO SUCCESS

Born and raised in Arizona, David was introduced to golf at the tender age of eight. "I loved all sports. I would play anything with a moving ball," said Southworth. "I attended a Catholic grade school in Scottsdale and would get in trouble more than most. It wasn't until midway through high school that

I realized education would be my path to success."

David's mother was a pharmacist and his father a salesman. "I had a terrific childhood and I couldn't have better parents," said Southworth. "Our neighborhood consisted of more 'have-not' families than 'have,' yet none of that mattered. I felt extremely blessed and grateful growing up.

"I loved to work and make money as a kid and I found more satisfaction in saving money than spending it. As I grew into my teens, I knew the only way I would be able to afford a good college was on scholarship." Fortunately, David received an academic scholarship to Cornell University, which he assumes he received partly for sports and partly for his academics.

After graduating Cornell's School of Hotel Administration, David's first job was at the Hyatt on Union Square in San Francisco. A year later he moved to Bermuda, where he had accepted a job as the resident manager of The Pompano Beach Club. ▶

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## The Publisher's Page

"I HAVE BEEN FORTUNATE to know David personally and professionally for quite a few years. He, along with partner Joe Deitch, have displayed a strong commitment to quality. On the



personal side, David has a strong commitment to philanthropy. He created the Creighton Farms Invitational with the idea that the Nicklaus Children's Health Care Foundation would be the primary beneficiary. Because of his commitment, we have raised almost \$1.7 million in three years. That money has made a real impact at several pediatric facilities, including Inova Children's Hospital in Northern Virginia. As a developer, David obviously has a good head on his shoulders, but he's also got a big heart to go along with it." – JACK NICKLAUS



CREIGHTON FARMS, OUTSIDE WASHINGTON, D.C., is a former Ritz-Carlton community located in the rolling horse country of northern Virginia, 30 minutes from Dulles Airport. "The community was a great idea with unlimited potential, in need of capital to finish its promised amenities," explained Southworth. "We bought the development in 2009 and it has been broadly recognized as one of America's most outstanding club communities ever since. Among its many wonderful amenities, Creighton Farms features a magnificent Jack Nicklaus Signature golf course and stunningly beautiful custom homes. For more information, please visit [www.CreightonFarms.com](http://www.CreightonFarms.com).

**"I AM FORTUNATE** to have witnessed David's leadership at Creighton Farms. He completes what he commits to. Our club is flourishing and I expect that the Southworth vision will clearly play out in The Bahamas. Members are energized with positive anticipation." – SCOTT ANDREWS, MEMBER, CREIGHTON FARMS & THE ABACO CLUB

**A MOVE TO REAL ESTATE**

During David's years in Bermuda, he began buying and selling residential and commercial real estate. In 1991, he was introduced to Paul Fireman, chairman and founder of footwear giant Reebok International. Paul was in the process of purchasing a failed golf community in Cape Cod called Willowbend and David's knowledge of resorts and real estate made him the perfect partner.

"Paul was doing extremely well with Reebok and had become a wealthy man," explained Southworth. "He and his wife wanted to create an amazing family-focused golf community and Willowbend was it. Through hard work, a large investment and the great vision of the Firemans, we developed Willowbend into one of the most prestigious communities in the northeast. Because of Paul's place on the world stage, Willowbend was an instant hit with the rich and famous, movie stars and, of course,

athletes from around the globe. It was great fun."

During the following 14 years, Southworth and Fireman went on to develop, among other things, The Westin Rio Mar Beach & Country Club in Puerto Rico, and the JW Marriott Starr Pass Resort in Tucson, Arizona.

"Our highest profile project was Liberty National, adjacent to the Statue of Liberty on New York Bay," recalled Southworth. "The fact that the location was in the center of world commerce and alongside one of the most recognizable icons in the world was not lost on Paul. Seeing what he and his son have created there is just amazing."

**A CROSSROADS IN LIFE**

By 2004, Fireman had decided to slow down a bit, but David wanted to continue developing. After selling Reebok to adidas, Fireman and David began splitting up the assets of Willowbend Development. Fireman kept the communi-



THE ABACO CLUB ON WINDING BAY IN THE BAHAMAS, formerly a Ritz-Carlton community, is a private escape with an international membership. The community features a "Barefoot Elegance" feel that is second to none. Anchoring the club's amenities is its picturesque bay with a two-mile white sand beach. There's also an acclaimed "tropical links" golf course, consistently ranked the No. 1 course in The Bahamas, and a beautiful marina that has just been permitted. "The Abaco Club had been on my radar for years," said Southworth. "Its natural environment provides everything money can't buy. Our new,

fully furnished cottages are now available. We've done all the work; they offer the ultimate turnkey lifestyle for anyone seeking a luxurious island escape."

For more information, visit [www.TheAbacoClub.com](http://www.TheAbacoClub.com).



ties of Willowbend and Liberty National, while Southworth kept the development and management companies and an interest in a golf community called Coco Beach in Puerto Rico (now Trump International Puerto Rico).

"Our timing was fortuitous," said Southworth. "I changed the name of the company from Willowbend Development to Southworth Development and we just kept doing what we'd been doing the previous 15 years."

The first project under the Southworth Development brand was The Village at Machrihanish Dunes, a Scottish golf resort centered around a unique links course designed by David McLay Kidd.

"Machrihanish Dunes was the first Scottish links course built on the west coast of Scotland in over 100 years," explained Southworth. "The land, labeled a 'Site of Special Scientific Interest' because of its fragile ecosystem and protected species, featured dunes that were perfect for the creation of a world-class links course. During construction, no heavy equipment was allowed and only 7 of the 259 acres on which the course was routed were modified in any way. It's a completely

unique experience, and the course's marketing tag line is 100 percent true—it really is "The Way Golf Began."

**A DEAR FRIEND—AND BUSINESS PARTNER**

With Southworth Development growing, David reached out to longtime close friend, Joe Deitch, to partner on his investment in Scotland, along with another community on New Hampshire's famed Lake Winnepesaukee called Meredith Bay.

As founder and chairman of Commonwealth Financial Network, the largest privately owned, independent broker/dealer firm in America with over \$100 billion under management, Deitch's financial acumen is well known. *Investment Advisor* magazine listed Joe as one of the 30 most influential people who have molded the investment advisory profession over the last 30 years. Others making that list included Ronald Reagan, Alan Greenspan, and Charles Schwab.

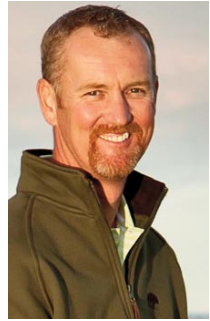
"Joining forces with Joe turned out to be the best business decision I ever made. First, it strengthened our company heading into the recession, and second, it gave



WILLOWBEND ON CAPE COD, MASSACHUSETTS, provides extraordinary living in an area that's been one of America's most popular vacation destinations for decades. Every year, new real estate living options and amenities emerge at Willowbend to add to its 27 holes of golf amongst red barns and working cranberry bogs. The club is known for its philanthropic efforts and attracts a veritable who's-who of athletes and celebrities. Greg Norman, Jimmy Connors, John Elway, and Mark Wahlberg are just a small sampling of superstars who have come to Willowbend to support worthy causes. For more information, visit [www.WillowbendCapeCod.com](http://www.WillowbendCapeCod.com).



**“MACHRIHANISH DUNES** sits on a peninsula known as the Glasgow Riviera, a popular vacation destination since the Victorian Era. Our family has deep roots here. I know every inch of the place. At so many Scottish oceanside courses you have to *imagine* what life looked like generations ago. At Machrihanish Dunes, you get the real deal. It is stunningly beautiful and little changed. The rugged coastline and stark beauty is worth the effort to make the trip. After golf, stay at the nearby Ugadale Hotel. Every room is as good as the best room at Gleneagles.” – DAVID MCLAY KIDD



me a trusted partner who is extremely gifted at both marketing and visionary thinking—as well as business in general. Like Paul Fireman, Joe’s dreams have no boundaries and his ability to simplify various business issues is uncanny. He is incredibly smart and incredibly kind.”

Deitch became chairman of Southworth Development in 2006, and has been involved in almost every facet of the company’s business ever since.

“Southworth Development and Commonwealth Financial Network management teams are both passionate about quality,” stated Deitch. “We strive to be the best at everything we do.”

In 2012, David and Joe added another tremendous

asset to the Southworth Development portfolio of communities when Fireman sold his beloved Willowbend to them. “Returning to Willowbend in an ownership capacity was truly a dream come true,” said Southworth. “It was my first development and my sons and I have lived there for the past 24 summers.”

Southworth Development’s other current projects include Creighton Farms, a residential resort-style community with a Jack Nicklaus Signature course in Virginia; The Abaco Club on Winding Bay, a private sporting club and vacation real estate development in The Bahamas; Meredith Bay, where Boston’s elite enjoy summers at the lake in beautiful homes, townhomes and condominiums, plus a wealth of lakeside amenities; and Renaissance, a private club located on Boston’s North Shore.

**AN INDUSTRY CHANGED**

“The residential resort development industry is in a recovery mode,” said Southworth. “Utter distress is behind us. There was a time when we’d be shown one project per week that was in trouble. That has dropped to about one per month. I believe our best opportunities still lie in the acquisition of existing, or partially built projects versus developing from the ground up. That being said, there is always a place in the market for a well thought-out and executed plan.”

When asked if he had one project left to develop,

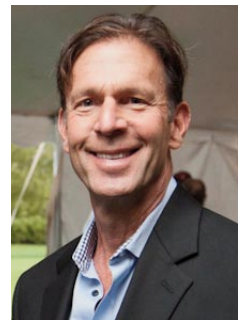
where would it be, Southworth’s answer was “Hawaii.”

“Our focus as a company is to create, own and operate magnificent and memorable communities. To do that, we must prove to our customers our stability, credibility and value. When that happens—we succeed,” advised Southworth.

“As we enter our 25th year as a company, we are very proud of the 850-plus people that work in and on behalf of our communities, and the fact that we’ve had no failed projects, no broken promises and a closet free of skeletons,” said Southworth. ■

**THE OTHER HALF OF THE STORY**

Joe Deitch, in addition to being a 50 percent owner in Southworth Development, founded Commonwealth Financial Network in 1979. Today, Commonwealth has 1,600 advisors managing \$100 billion in assets. “The management program at Harvard Business School taught me to have an open mind,” said Deitch. “At times, all of us tend to be provincial and narrow-minded. It matters not whether it’s finance or real estate, the lure of any business is a function of how interesting it is and how enjoyable the people are to work with. All industries can have wonderful opportunities or horrible experiences. I’ve been quite fortunate in business that I get to create my projects...and choose my people.”



THE VILLAGE OF MACHRIHANISH DUNES IN SCOTLAND is home to the first 18-hole links design to be built on the west coast of Scotland in 100 years. It is set against the shores of the Atlantic, with six greens at the ocean’s edge. *Golf Digest* has ranked it No. 39 in its “Top 100 Courses Outside the U.S.” The David McLay Kidd design here, also labeled “The World’s Most Natural Golf Course,” has won a slew of awards, and was heralded for offering the “Best Resort Experience” in Scotland in three different award competitions in 2013 alone. Accommodations at the resort include a choice of two beautifully restored historic hotels, The Ugadale Hotel and Cottages and The Royal Hotel, while a range of dining experiences are offered at The Old Clubhouse Pub, The Kintyre Club, The Harbourview Grille and The Black Sheep Pub. For more information, please visit [www.MachrihanishDunes.com](http://www.MachrihanishDunes.com).



RENAISSANCE GOLF CLUB, HAVERHILL, MASSACHUSETTS. This splendid private club sits along the picturesque Merrimack River, 40 minutes north of Boston. Its Brian Silva Signature Course was named “Development of the Year” by *Golf Inc.* in 2006, and in 2012 it was named one of three finalists for national “Golf Course of the Year” by the National Golf Course Owners Association. The stunning American shingle-style clubhouse is the social hub of this busy club. Of all the Southworth clubs, Renaissance has the most active membership, with members enjoying a full calendar of well-attended tournaments, club events and family activities. Visit [www.RenaissanceMA.com](http://www.RenaissanceMA.com).

