

Many major manufacturers' representatives soon will be knocking on your door to entice you to buy their "goodies" for the 1974 season. When each rep arrives, invite him into your shop, allow him to tell you about the merchandise he is offering and examine the new fashions. But remember always that you must exercise buying judgement; you must be able to turn down some of his offerings. That's one of the principles of good buying, which is adhered to by successful golf professional merchants and retail store buyers.

There are other buying practices, upon which this article is based, that can make the difficult job of buying less so. No one has the total answer and no one buyer or professional does the job perfectly. (Perfection, of course, means that every item is sold at full retail.) The professionals who are successful at their jobs know this; they also know that their methods, though imperfect, minimize the errors they may make.

#### ARE YOU OTB?

In the jargon of the big store buyer, "Open to Buy" means his old merchandise is sold and out of inventory. He is ready to buy for the new season. When that time comes, if some merchandise is not OTB, it is put on sale.

The golf professional, when he begins his buying for the season, also must be OTB. His cash cannot be tied up in old, end of season merchandise. It must be moved out to make way for the new hard and soft goods.

When a rep for one of your suppliers calls on you, ask him what the item costs you first. In apparel, you must satisfy yourself that the item can be sold at a "Keystone Markup," or double your cost. (Your session in planning has told you which items are winners and which losers based on your actual sales.) You will need initially the "Keystone" markup to protect your year-end profit, because you never will sell every item at retail and you must leave room for markdowns.

Too many suppliers ask you to take a short markup while they take a full wholesale markup. You can authenticate the retail prices in your shop by checking out the finest apparel store or



Here's a review of basic buying principles that have contributed to the success of some of the country's leading golf professionals and retail stores

by ERNIE SABAYRAC

PRESIDENT, ERNIE SABAYRAC, INC.  
MIAMI, FLORIDA

boutique in your neighborhood. It should feature the same quality products and retail prices as you do.

Everyone at times tries unknown brands. If they sell well at retail—great! Usually they fail. If an item is at all questionable, you should immediately cross it off your OTB list, then increase your buying dollars with winners at the retail pay-off window.

#### STAGGER YOUR DELIVERIES

Most responsible manufacturers operate a "hospitalization" policy in their warehouses: The first order in gets filled first and "hospitalized" (put away) until the specified shipping date. This practice necessitates contacting and making an appointment with the rep in whose merchandise you are most interested as soon as possible. Keep this appointment. Delivery problems inevitably occur to the professional who neither keeps his appointments nor gets his order in early. Remember this: The rep usually averages 250 other accounts and he has to see each one

of them before they order.

We suggest, therefore, staggering your deliveries. You stand a much greater chance of getting full shipment this way, and staggering benefits you more in the long run. For example: If you are a professional at a northern club (or any club other than a winter resort) take in 20 per cent of your order by November 26th. This allows your customers a preview of 1974 fashions or playing equipment. Also, your customers can shop for Christmas gifts or winter vacations in your shop. Take in 50 per cent February 26th. This gives you a proper opening stock for the 1974 season. The last 30 per cent should arrive April 26th. Your members can then refresh themselves by looking at new merchandise, thereby increasing your unit sale to that "loyal retail buyer."

Why delivery dates on the 26th? Most manufacturers close their books monthly at the end of business on the 25th. A November 26th date is payable January 10th, and so on. Let's say you placed a \$5,000 OTB and used the staggered shipment method. You would owe \$1,000 January 10th, \$2,500 April 10th and \$1,500 June 10th. (Re-orders would be on current terms.)

The staggered method also allows you to: a) get faster, more complete deliveries; b) be in a strong position in your bins on '74 merchandise, and c) meet installment payments, which eases cash flow and gives you a better chance to take discounts, thereby keeping your credit position with each supplier.

There are thousands of golf professionals actively engaged in running shops that merchandise products. Ask yourself: How can a manufacturer ship everything on time and complete when everyone says, "Have it here April 1st?" If you understand the logistics of this problem, you naturally help yourself by using the staggered method that allows you full bins and a more sensible cash flow.

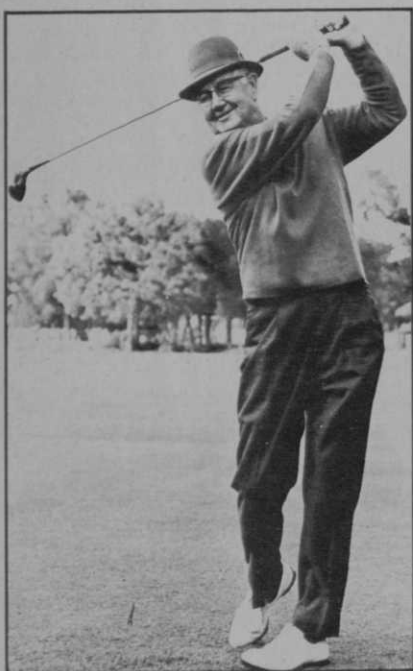
#### "BEEF UP" WINTER PROGRAM

If you adopt this suggestion, then you must back up this merchandise by changing your personnel policy for the winter months. Most professionals take a vacation during winter. And you

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**GOLDEN RULES** *from page 31*

should, you're entitled to it. But too many professionals leave inadequate help to service their members' winter needs. And because these sales people are not trained to sell, all you get is the overhead they produce plus lost sales.

Why not keep your best sales clerk on the job 12 months a year? This gives you the opportunity to build up a year-around business. It keeps this person on your payroll, giving him or her a chance to make more money and entertain fewer thoughts of leaving you for the security of a year-around job. Believe me when I tell you that there are at least 100 professionals today "up North" who do as much business in November (with fall goods), December (Christmas sales) and January ("going away" in the winter) as they do in the spring and summer months. Moreover, they impress their members by being there, so members do not have to go elsewhere to buy.

If you're gone, you are not going to get as much playing equipment business unless a reliable person stays in the shop. A capable salesperson will keep your members' relations at a peak, plus a profit, if you give them something new to sell while you're away for your much needed rest. You would be surprised how many members can be found in your shop on a snowy, cold day in deep winter. They are looking for a place to relax in the atmosphere of their choice—your shop.

**ANALYZE CUSTOMER PREFERENCES**

A technique to follow in smart buying is to round out your sizes and members' color choices with the first 20 per cent purchase, especially in basic items, such as shoes, hosiery, solid color "bread and butter" shirts and slacks. To be caught out of these basic colors and sizes in year-around best sellers is unforgivable. Make a study of your members preferences in colors.

If you have the financial resources to do it, you might study your "winners" in merchandise accepted by your membership and buy a little heavier and earlier than in the past. Set your guidelines by those certain customers you know of who always seem to want to buy more from you at the start of the season but never seem to find enough choice of colors, patterns, fabrics or whatever. These people are usually the style setters at the club.

Even if you have some of this special

merchandise left at the end of the July 4th weekend, by which time all brisk selling at retail is ended, it then becomes a "hot" item at your end of season clearance sale. It usually moves out quickly at 25 per cent off, so you still make 25 per cent profit. But you also will be giving an opportunity to the bargain hunters at the club who won't buy at full retail. This "ace in the hole" will bail you out of leftovers, at a profit, and you'll keep him from shopping elsewhere for bargains. The fact that you are in effect offering Cadillacs at Chevrolet prices assures you of an empty bin and plenty of "Open to Buy" when you see the 1975 fashion lines.

An old saying, "Beware of Greeks bearing gifts," applies to the salesman who offers his lines to you on a consignment basis. Although it sounds great, please be wary. The salesman couldn't find anyone to buy his line at his wholesale price and certainly doesn't even attempt to get the "Keystone" retail markup. He wants you to do this job for him—at his prices. Selling well-accepted merchandise is tough enough. Why try to do his work for him? Buy him lunch, commiserate with him, but don't buy his problems. You have enough of your own.

In conclusion, our comment about the Professional Golfers' Assn. Merchandise Show in January is that it's great to complete your buying. It's foolhardy to expect to place your major commitments at that late date and get any kind of complete or decent deliveries of fashion goods.

The golf pro business is huge. The salable merchandise most sought after, unfortunately, isn't always the most available. You have to understand this and protect yourself by buying early, in ample quantities, to make your 1974 merchandise bring the profits that inflation today demands you get to keep prosperous and successful. □

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TROUBLING YOU AND YOUR SHOP  
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