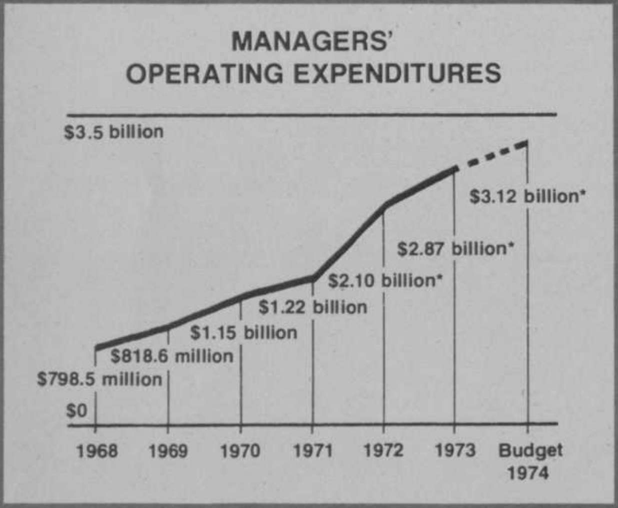
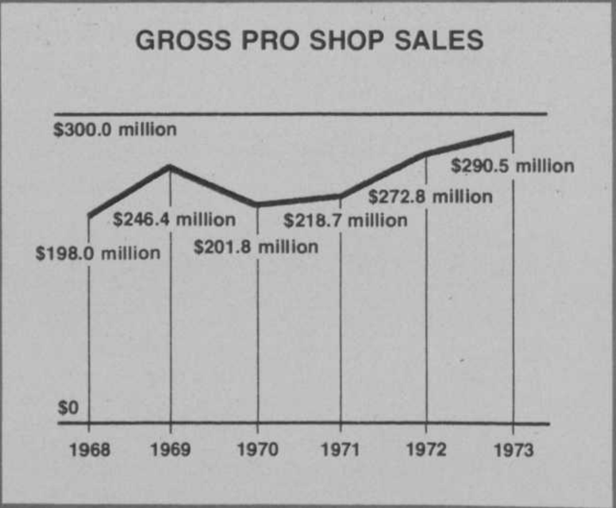
GOLFDOM'S 6th ANNUAL GOLF INDUSTRY MARKETING & RESEARCH REPORT -1973-

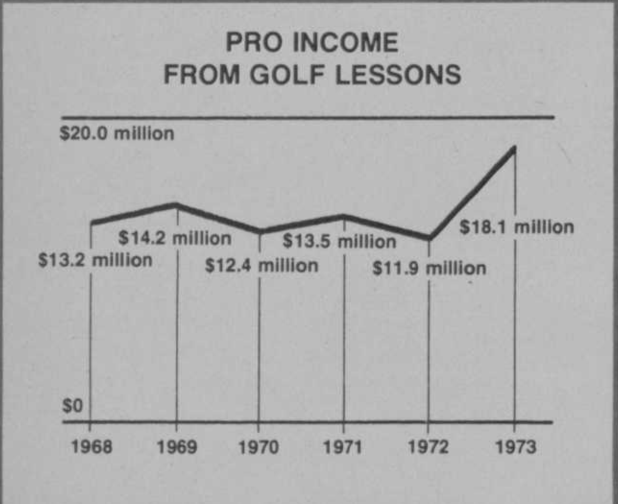
Confusion, uncertainty and doubt were rampant throughout the business world in 1973, as the Nixon Administration continued its freeze program of numerical phases designed to slow down the rate of inflation. The golf industry was not exempted from the national mood.

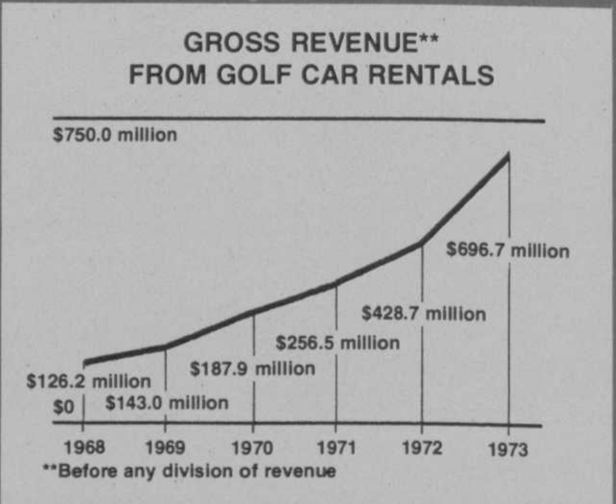
Before even sorting out the do's and don't's of Phase 3, club administrators and their product suppliers were hit with number four, complete with letter-designated stages. One apparel manufacturer summed up industry sentiment about Phase 4 when he said, "Frankly, I don't think our lawyers understand it and I seriously doubt if Nixon does."

Despite a lot of grumbling and prophecies of doom, GOLFDOM's Sixth Annual Marketing & Research Study indicates that the golf industry weathered admirably the economic imbroglio in 1973. As the six-year graphs below indicate, new "highs" were set on both incoming and outgoing sides of the





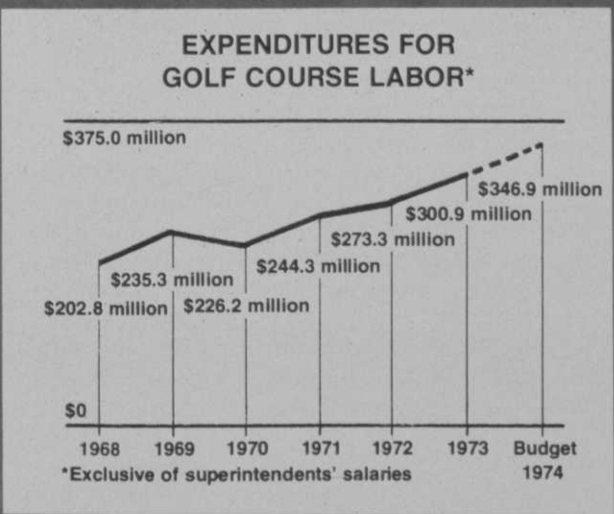


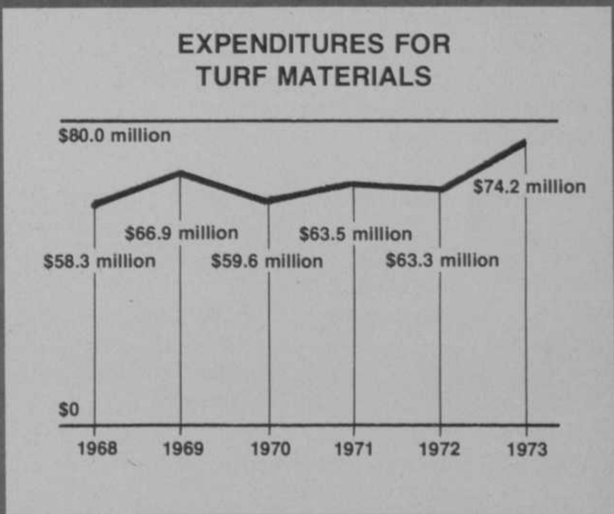


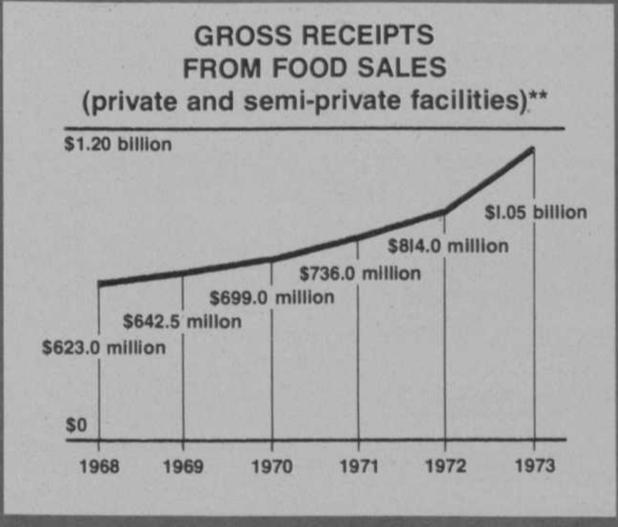
*Important: It must be pointed out that what appears to be an inordinate increase in operating expenditures is due to the inclusion of payroll costs in the 1972, 1973 and budget 1974 figures. In previous years, managers had been asked to exclude payroll costs from their responses. However, payroll costs in many cases can account for more than half of total operating expenditures.

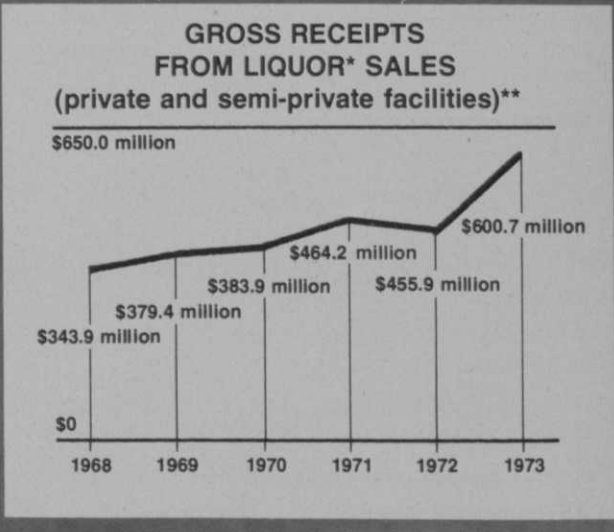
ledger. But in terms of growth percentages, the revenue areas generally outpaced expenditures. Considering spiraling costs, this was no small achievement on the part of club administrators and officials. Superintendents held tight reins on their spending for turf materials and labor, ending the year with relatively modest increases rather than the "sky high" amounts that were easily possible in 1973. Managers offset incredible rises in food costs with solid increases in food sales and extremely profitable liquor sales. Professionals, although faced with increasing retail competition, managed to break last year's sales record and did a particularly good merchandising job on major golf equipment. In addition, they broke the lesson business out of its five-year slump and achieved a healthy gain in this area.

The primary purpose of surveying the performances of the past year is to lend guidance for the next year. In 1974, however, a new monster has entered the picture, which could conceivably upset all predictions and established growth patterns. This unknown factor is, of course, "The Energy Crises." Some members of the industry, in trying to predict the possible effects of the present fuel shortage on golf clubs, look for parallels in World War II rationing conditions. The validity of this method is questionable because of the enormous changes that have occurred since the 1940s. Where there was manual course maintenance, there now is enormous machinery. Where there were caddies, there now are golf cars. Where the drive to a golf course was a matter of 10 minutes, it now may be 50, as urban and suburban expansion continues to force courses farther and farther into outlying areas. The list of differences seems so endless as to make comparison with the 40s useless. So, right now at least, the golf industry, along with the rest of the country, must face a giant unknown for 1974. □









**Hotel/Resort and public facilities have been excluded because the disparity among their food and liquor facilities makes figures unreliable.

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