

A Detroit Club Manufacturer Takes A Stand on Rebates by Starting His Own Whitewalls, Wheelcovers & Woods

Caught up in the rebate atmosphere of the Motor City, a suburban Detroit club manufacturer has put his own product into the discount sweepstakes and the experiment might get the equipment industry thinking.

Thad Gutowski wears several hats as the founder, president, advertising executive and treasurer of Falcon Golf, a family operation from its inception almost four years ago. Looking at his company as a Detroit-based firm, Gutowski thought it was high time that he stimulated the local economy with a rebate program for his own line.

Simply, Falcon's program allows anyone who has purchased a 1975 American-made car until April 1 to get a \$200 rebate on a standard-type club set that Gutowski says will fit about 85 percent of the golfers in the country. Normal retail price for the 9&4 is \$462.

Kicking off the program the third week in January, Gutowski prepared a modest news release for the local press and before he knew it, he was on the Jan. 24 edition of the ABC-TV Evening News.

"The release went out to the media around Detroit and a couple days later the Associated Press and United Press picked up on the program and fed it to every newspaper in the country.

"Not too long after that, a reporter from ABC in Chicago calls up and says they're going to send a film crew up here," Gutowski told GOLFDOM from his Ferndale, Mich., office.

Before he realized what hit him, 25 million people all over the country were wondering about the rebate and its specifics. Inquiries arrived quickly and still are, so Gutowski spent \$5,000 on a promotional brochure.

Immediate reaction came from several Detroit-area auto dealers, who are using Falcon clubs as an additional inducement to get people to buy cars. Several of the dealers put the clubs right in the showroom, pointing to the rebate and how the golfer can save even more money.

Gutowski admits that the rebate can and will work for him, but doesn't feel that it would be feasible for the majors in the industry. "A relatively small producer can handle one of these deals, but for a larger company, it might not be as appropriate. Future pricing of products could be hurt.

"The car manufacturers think they can shut their programs off anytime. I don't think it'll be that easy. If the economy stays the same, people will just stop buying and play a waiting game, thinking the manufacturers will reinstate the rebate," Gutowski noted.

To Gutowski, golf clubs come into the realm of discretionary spending and the point is best illustrated in a time of economic uncertainty. A

golfer will keep his clubs another year instead of buying new ones.

Another side of the possible rebate program is how it would affect the pro. For Falcon, which does a lot of its business through the mail and has few national distributors, the rebate program can work. But for a larger manufacturer, who relies so much on the pro to market their products, things might not run so smoothly.

With pricing policies the way they are now, if rebates went into effect for major manufacturers, the pro would or could be cut out of the profit scheme all together. If a \$450 set of clubs was slashed to half price by an equipment company, the pro's ability to make a profit would suffer substantially or evaporate. □



Detroit car dealer Lloyd Stiverson explains the Falcon rebate program to a potential new car buyer.