COMPANIES

Custom Crest Clubs joins Power Track

Oscar Jones, founder of Oscar Jones Custom Crest Golf Clubs, and Ron Pawlacyk and John Tate, owners of Power Track Golf Company, have joined ranks and pooled their talents to produce golf equipment.

Jones started his golf career with Wilson Sporting Goods in 1951, then left in 1963 to head the Arnold Palmer Pro Golf Company in eleven western states. While with the Palmer company, Jones helped pioneer the use of investment cast process in the manufacture of irons and putters, and met Pawlacyk and Tate who worked with him there. In 1972 he formed his own company which produced wedges that could have a country club crest or logo included. He later added a complete set of woods, irons, wedges and putters to his line of custom products.

Fansteel changes, but not golf-wise

Fansteel Inc., a Chicago based minerals and manufacturing company that recently started producing top-price golf club heads, shafts, and tennis rackets, is now under the control of the H. K. Porter Co. Edward P. Evans, 34, who succeeded his father, Thomas Mellon Evans, as Porter's chairman last September, acquired 85 percent control of Fansteel in a recent stock market move.

Since 1973, Fansteel has been little more than profitable and in the preceding 10 years it paid no dividends. Its poor showing is attributed to the financing of an acquisition program. Now it will be an 85-percent-owned subsidiary of Porter with five of its nine-member board nominated by Evans.

New Fansteel owner Edward P. Evans plans no major changes for the golf shaft and investment casting firm.

As far as GOLF BUSINESS could ascertain, Fansteel's continuing president and chief executive officer, David D. Peterson, has no immediate plans to change the golf equipment manufacturing division, and Evans has no great management shifts in mind. Said Evans: "I hope management will stay. I think they will."

Simmons pays debts through new stocks

A slump in the golf industry has been weathered by a manufacturer and the company is on its way back up.

Simmons International Corp., golf equipment manufacturer, reports it has reorganized under a Chapter XI proceeding in a record 22 days. The company's plan to issue stock to its pre-November 20, 1974 creditors was filed in U.S. District Court on May 6, 1976 and confirmed on May 28. Filing of a Chapter XI proceeding was necessary in order to issue stock without registration with the Securities Exchange Commission.

In accordance with the plan, Wells-Fargo Bank has agreed to accept $1.25 million of preferred stock as full settlement for its loan of that amount to the company.

The company "will build up slowly . . . with control," Ed Valley, vice president of operations, told GOLF BUSINESS. Simmons has been operating on a current basis since November 1974.

Valley said his company "manages to meet the needs of the industry," and commented, "business is a little on the slow side." He added the company's comeback "will not be instantaneous."

Survival of the company was attributed by George A. FitzPatrick, president, to high quality in products and present personnel, through this period of difficulty in the golf industry. Valley described present market conditions as bad and said "in my 30 years . . . I have never seen anything like it."

New firm gives away 'free' ballwashers

Getting something for nothing is not an everyday occurence in the golf market. For superintendents around the nation there is a new aspect to accessories they can cash into without any investment at all.

There is a catch, though, and it's advertising. A firm called Teemaster International has come up with the idea of positioning ball washer units with advertising on them all over the country free to clubs interested in a bargain.

"We are shooting for daily fee and resort facilities," Teemaster General Manager Brendan Baldwin told GOLF BUSINESS from his office in Santa Monica, Calif. Teemaster has designed the ballwasher units, which are manufactured in Australia, as a complete unit including a hole information plate and a convenient four-sided trash basket, which the advertising plates are attached to.

In July, Baldwin's company had established plans with nearly 200 courses over the country through a direct mail piece. Projections are for 400 to 500 clubs by next spring. That is still a long way from the nearly 7,000 courses that could be eligible in the plan.

Private clubs have been excluded from the program since Baldwin fears the hassles his firm might have dealing with member-owned facilities.

Although many clubs have shown interest in the project, the first delivery of ballwashers won't be until October. Teemaster does not install the washers, but does do some of the maintenance chores over the span of the 36 months a club has the units.

According to Baldwin, the 18 washers are valued at $2,000 for the set. The washers are cast aluminum, double the thickness of metal which will support a mobile home unit.

As far as finding the advertising prospects to support the program, Baldwin is still waiting to get major companies involved.

CLUBS AND TAXES

Maryland laws tax patience, pockets

Clubs in Maryland and Florida are finding it just as hard to keep their tax breaks as it was to get them.

How do tax breaks work? Simple. Clubs are assessed at a lower value and taxed less. How do clubs qualify? That answer is not so simple, since it involves decisions from state and county levels.

Through such decisions some clubs stand to lose breaks currently saving them thousands of dollars annually.

Attorney General of Maryland Francis Burch must determine whether or not some country clubs in his state should be given an "open space" tax cut provided for in a 1966 state law. A 1974 amendment to the bill added anti-discrimination stipulations and left to him the job of deciding who should get the break.

The story started 10 years ago when supporters of a "differential real estate tax assessment" law (including the Lieutenant Governor of Maryland, Blair Lee III, who was then a lobbyist) got their bill passed by the Maryland General Assembly. The law allows clubs to have land assessed at "use value" instead of "market value," thus placing tax value at real estate worth as it is being used, rather than what it would sell for on the open market. The law is designed to protect "open space." Clubs taking advantage of it sign a 10-year