

FACILITY OF THE FUTURE

by Nick Romano

There has always been something stately about the south. For years, anything below the Mason-Dixon line was considered to have some sort of rustic quality. Well those days, for the most part, are gone.

Market growth in the south has exploded and a place like Atlanta might well be one of the next real business centers of this nation. The club industry and its profitability parallel business growth well in the Georgia capital. Such is the success story of the Atlanta Athletic Club.

A mixture of warm sunlight, pine trees and red clay make up the surroundings of the AAC, positioned 25 miles to the northeast of downtown Atlanta. On its present site near Duluth, Ga., the club has been set up since 1963. In fact, though, the AAC has been around since 1898 when a few fellows in town decided there should be some sort of club in the area that could service their athletic needs.

So, in 1905, Eastlake was born. It had 18 holes and a clubhouse and a little later it grew to 36 holes. Although, Eastlake was situated on the east side of town, there were from time to time, three separate downtown city clubs attached to the AAC.

Today, the AAC is a multi-purpose facility with more than 2,000 members. Besides its 36 holes, 18 of which will host the U.S. Open this month, there are 13 tennis courts, an olympic swimming pool complex and a complete health club offering basketball, volleyball, badminton and combination racketball-handball-squashball facility. Complete sauna and exercise equipment are also available.

Couple this all with a massive clubhouse and a staff at the hilt of the season of between 130 and 160 employees and you can see the operation has to run efficient. Most of the front line responsibility falls on the shoulders of general manager Jim Petzing.

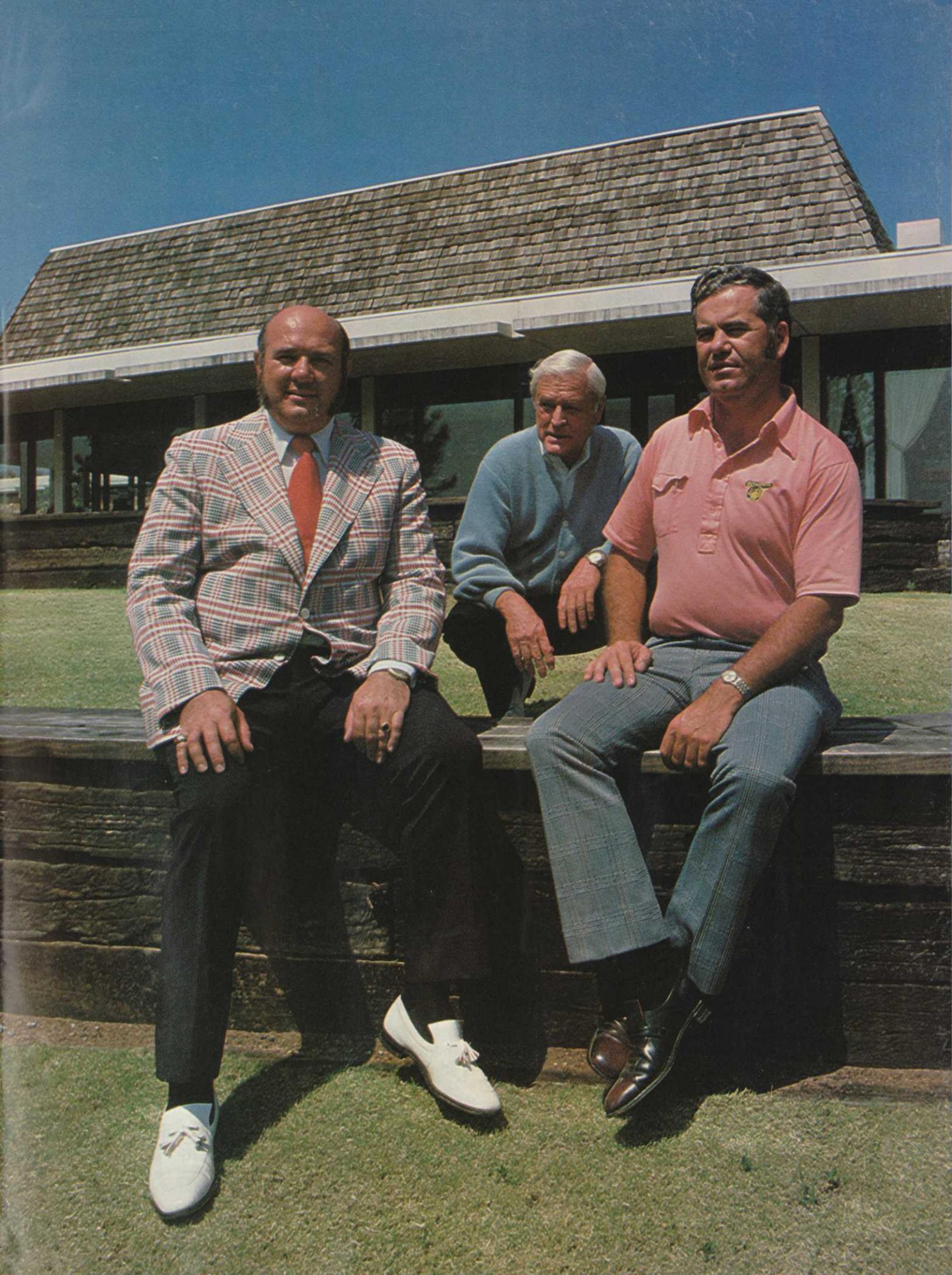
Admitting to being a young 43, Petzing is a native of Buffalo and started in the hospitality industry at a young age. He got his formal training in food and beverage management at Cornell University and came to the AAC in March, 1970. "I first came to the club as the food and beverage manager, but during 1972, was promoted to general manager by the board of directors," Petzing added.

The general manager concept is not something new at the AAC, in

fact, the philosophy has been at the club since the '40's. Petzing works closely with the board of directors to make sure board directives are carried out, but for the most part they treat him as a professional manager and the great majority of facility operation is up to him.

Except for the club professional, Harold Sargent, Petzing has complete budgetary control over each department head. Sargent, 62, has been head pro at the club since 1947 and prior to that served as assistant under his father George. In the club operation, Sargent is actually an independent businessman, who does share some shop profits with the club.

On overall budgetary decisions, Petzing asks all department heads to develop budgets on a cooperative basis. Each head works with his corresponding director to get figures that are submitted for review. Petzing may question certain requests and send them back for minor changes. Each department head along with Petzing will go before the finance committee to seek final approval. In the end, the entire budget for all departments goes before the board of directors for their approval.



FUTURE

CONTINUED

Although, the committee system has fallen apart at many private clubs throughout the nation, it still seems active and involved at the AAC. Each member of the board of directors is also a committee chairman and a vice chairman of a second committee.

Average male members at the club range in age between 40 and 50 and are in the middle to upper middle class. The initiation fee at the club is \$5,400 and the purchase of \$100 share of stock in the operation. Monthly dues are \$85. Compared to some other private clubs in the area, the AAC rate is very competitive and in several cases lower than some clubs offering less.

Admittedly, the AAC is a private club and is non-profit by design, but Petzing and his staff are very cost conscious with a yearly budget of more than \$3 million to contend with. "We are very proud of the fact we usually are less than three percent off on such a big budget," Petzing stated.

With his roots in foodservice operations, Petzing admits he is a food man. Quality preparation is the key for Petzing and executive chef Rene Bouteillie, a French native who once served in the kitchen of President Charles de Gaulle. Two managers really coordinate the meal operation, Alan C. Borders and Jerry McCoy. Both in their late '20s, the pair trade shifts with one on day duty and the other in charge of the dinner operation. Borders is a Florida State graduate, while McCoy went to Michigan State.

Bouteillie has an efficient and well-trained kitchen staff and along with the beverage operation, the AAC grossed \$900,000 during its fiscal year, which ended March 31. Petzing admits probably 60 percent of the total is in the beverage area.

"All we really expect to do with the foodservice is meet expenses," said Petzing, "and if we're fortunate, a very nominal bottom line. Since Petzing's six years at AAC, gross food and beverage sales have doubled.

Facility utilization is another im-

portant area for AAC. Of course, it will vary with the season. Some of the members who are located in areas of the city beyond normal driving time will only use the facilities on the weekend.

Basing that premise on meal frequency of the membership, lunch and dinner are the only meals served at the club. Luncheon range on the average will go about 130 a day with an average check running around \$3.40. Night service on Friday and Saturday nights hits 140 covers and on Sunday, lunch is in the vicinity of 250.

Again, interaction and cooperation are the keys to the efficient AAC operation. In the pro shop, Sargent and his staff easily do six figures in gross sales every year. Along with his wife Jean, Sargent relies on a transplanted Connecticut Yankee, assistant Jim Pinard, teaching assistant Bill Byers plus shop staffer Leslie Kelly to keep everything running smoothly.

"Just because our members belong to the club," said Sargent, "we don't take them for granted. They could always go somewhere else and get their merchandise." Staying competitive in the area market is always a concern for Sargent, but he admits the invasion of the "retail" shops has not hit Atlanta pros as it has in other areas of the country.

Softgoods are the best items moving in the Sargent shop, there are a number of sales and closeouts available to the members each year. In the past, Sargent and his staff had conducted surveys to seek out personal color and style preference, but Harold admits more often than not these surveys and their influence on types of merchandise stocked had very little influence on sales.

With the effects of last year's recession and inflation, Sargent feels buying habits have changed somewhat. "I still am a great believer in turning over my inventory six or seven times a year. That's why we continue to feature sale merchandise," Sargent added.

In the golf equipment area, the AAC shop staff attempts to make a lot of sales on the range or at the practice tee. "We try to do a thorough job for the member when he or she is thinking about new

clubs. We take a look at what they were using and determine if the loft, length and swingweight are suited for them and if these lend themselves to the member's game," commented Sargent. Keeping with his quality image, Sargent only handles about eight different club lines in the shop.

In his 29 years as head professional, Sargent has had 10 of his assistants go on to head spots and while they train under him, he drives home the point about knowing about cash flow and how it can influence their success or failure in the shop. The shop does a monthly inventory, so Sargent knows how much money is available for more stock during the season.

Like Sargent, course superintendent Bob McGee is another AAC manager who works out his problems pretty much on his own. A native of Rome, Ga., McGee has been at the club since 1968 after a year at Lin Valley Country Club, Lindale, Ga.

Since the 36 holes were not opened to play until 1968, McGee is working on a course that is still a couple years from being completely settled. For example, some sort of major construction project has been going ever since McGee became superintendent. With the fairway rough bermuda grass and the fairways bentgrass, McGee admits having a big tournament like the Open presents certain problems sometimes his own maintenance crews don't understand.

"There are specifications that the USGA has presented to us to get the championship course ready for the Open and it's tough to get crews to thinking in those terms. Some days I have to order people not to cut grass, just because of the height desired for the rough," McGee stated.

Drainage has probably been the biggest problem for McGee to combat over the years. A new system was recently installed to take care of most of the headaches, but there are still some areas where standing water accumulates following storms. After the Open, this last part of the hangup should be solved.

Well respected by management and membership, McGee has good rapport with all involved in the

FUTURE

CONTINUED

facility and has complete control to decide on play and cars on the course after rains.

Presently operating with a \$320,000 annual budget, McGee received an extra \$400,000 over a three and one-half year period for needed work for the Open. Approximately \$100,000 was earmarked in the drainage correction project. Of that \$320,000 figure, McGee admits 70 percent of his total is in the labor area.

Along with his green chairman Charles Sokwell, McGee works with a crew of 30 men and his assistant Bob Thompson. With a fleet of seven tractors, seven triplex tee mowing units, nine gang fairway units, a dozen walking greens mowers, four rotary rough mowers and two-seven gang rough units, McGee's crew tackles the two courses. Just to add more experience to all this is McGee's former green chairman,

Paul Smith, who is grounds chairman for the Open.

This month, touring pros will converge on the AAC and McGee realizes there might be negative comments from pros having a rough round. "You can't please 'em all. It's natural for someone to search for an excuse when they are doing poorly. When I was younger, I learned that when you step onto a course, you accept it for what it is. When your round is over, you accept that and move on down the road."

Like the maintenance department, every section of the operation is under a constant training and evaluation program. From the first day of work, the employee is involved in an orientation program which offers information about the club and what the club expects from the employee. During this period, the employee is screened thoroughly and indoctrinated by the club's personnel manager. After this the employee is turned over to the department head and gains informa-

tion pertinent to the job and learns who they will be directly responsible to.

Each week, the various departments have evaluation sessions where they can discuss policy and relay changes of thinking on department procedures. Beyond those sessions, each management person will be involved in a weekly session with Petzing and if there are needed changes voiced, he will take them to the board at their regular sessions.

Business attitudes are seriously exhibited at the Atlanta Athletic Club. Some of the area's best business brains are members and realize a professional approach to running a facility of this scope is the only way to achieve and maintain success.

Multi-purpose operations like AAC will continue to be built in the future, as industry people realize a club must have many faces to survive in the golf business. The one advantage the AAC has over its competition and the rest of the nation, is that it has its facility now. □



Clubs and cars are just two of the areas club professional Harold Sargent works with at the Atlanta Athletic Club. Sargent, pro at the club for 29 years, handles seven or eight club lines and attempts to turn his inventory over six or seven times a year. The car fleet, 130 in all, is housed in a garage, almost directly beneath the shop.