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News

LEGAL ACTION

PGA okay, but 'pro-only' case unresolved

ASSOCIATIONS, 12

COMPANIES, 12

FILMS, 12

FOOD, 12

EDUCATION, 12

TURF MAINTENANCE, 14

CLUBS, 14

RESEARCH, 14

GM CONCEPT, 14

PROMOTING THE GAME, 14

FOOD AND BEVERAGE SERVICE, 16

SURVEYS, 16

GOLF EQUIPMENT, 16

CLUBS AND COURSES, 16

NEW GOLF COURSES, 17

NEW EDITOR, 17

The U.S. Court of Appeals in New Orleans has said it is unclear how a lower court reached its decision in a lawsuit charging Wilson Sporting Goods Co. and the Professional Golfers Association of America with conspiracy to restrain trade by implementing its "pro-only" policy — and has thrown the eight-year-old case back to the federal district court.

However, the PGA was dismissed from the case. The appeals court said it was wrong to sue them in the New Orleans federal district since the association did not do enough business in the eastern district of Louisiana.

The three-man court said July 5 it was uncertain how retired U.S. District Court Judge James Comiskey reached his decision more than two years ago which found Wilson and the PGA guilty.

The case now goes to New Orleans district court Judge Morey Sear, who has replaced Judge Comiskey. Judge Sear will decide if the court should work from the previous decision or if a new trial should be held.

The appeals court, headed by Judge Lewis Morgan of Noonan, Ga., said it could not reach a decision since Judge Comiskey failed to provide them with the "reasoning chain" used to make his ruling. The court also said the retired judge did not deal "with crucial defense evidence" in reaching his verdict.

The attorneys for Golf City, Inc., the New Orleans golf equipment retail store which filed the lawsuit in 1969, and those for Wilson had different interpretations of the court's ruling.

"There's been 4½ months of appellate review and nothing has

changed, except that the PGA is out," said Henry Klein, attorney for Golf City.

He said he may appeal the decision dismissing the PGA, saying he feels the association conducts enough business in the area to be a party to a lawsuit.

Pamela Nada, however, Wilson company lawyer, interpreted the decision as a victory for manufacturers and club pros.

"The court clearly found that Wilson's pro-only policy would be legal if adopted unilaterally." She added that the company feels "vindicated" by the decision.

Klein estimated that Wilson will have to pay more than \$300,000 in damages if it loses the case.

Manufacturers won a lawsuit late late last year when a federal district court in Chicago ruled that companies had the legal right to sell their products only to pro shops. Wilson was one of five companies involved in that case, which is now being appealed.

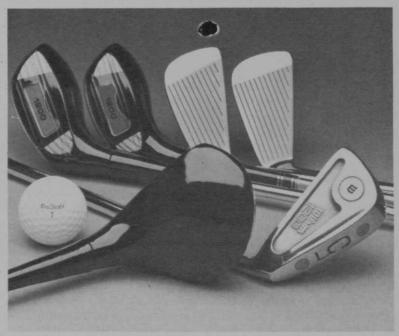
Other manufacturers who were defendants in that case are Spalding, Inc., Acushnet Sales Co., Royal Golf Co., and Dunlop Sports Co.

A Chicago sporting goods chain, Morrie Mages Sports, Inc., claimed that the golf equipment manufacturers agreed among themselves to sell certain goods just to golf professionals.

This differs from the New Orleans case because the PGA was not charged with conspiracy.

Mages is claiming it lost more than \$532,000 a year from the "pro-only" policy.

At least one more similar case has been filed in federal district court in Buffalo.



Wilson 1200s: still pro line