News

LEGAL ISSUES

Chicago courses sued for fee fixing

NEWS, 9 PEOPLE, 18 COMING EVENTS, 19 If things were not tough enough on daily fee operators, the attorney general in Illinois has filed suit against 22 Chicagoland facilities for alleged price fixing over a period from the fall of 1970 through the spring of 1975.

Obviously, the case will have a heavy bearing on the liability of the public operator against consumer pressure to keep his fees as they have been, in spite of the rising costs of operation. The antitrust action was inspired by local golfers in the Chicago area who sensed a growing similarity in prices for green fees and golf car rentals at regional courses.

Named in the suit are: Carriage Greens Golf Club, Downers Grove; Nordic Hills Country Club, Itasca; Cherry Hills Country Club, Flossmor; Cog Hill Golf & Country Club, Lemont; Fresh Meadows Golf & Country Club, Hillside; Gleneagles Country Club, Lemont; Glenwoodie Golf & Country Club, Glenwood; Midwest Country Club, Oak Brook; Deer Creek Golf Club, Park Forest South; Old Oak, Orland Park; Palos Country Club, Palos Park; St. Andrews Golf & Country Club, West Chicago; Oak Hills, Palos Park; Silver Lake Country Club, Orland Park; Sportsmans Country Club, Northbook; Timber Trails Country Club, LaGrange; Villa Olivia Country Club, Bartlett; Westgate Valley Country Club, Palos Heights; Bartlett Hills Golf & Country Club, Bartlett; Big Run Golf Club, Lockport; Buffalo Grove (III.) Country Club; and Hickory Hills Country Club, Oak Lawn.

Also named in the action is the Chicagoland Golf Association, which is the local trade organization for 32 courses in the area. John Coghill, owner of Silver Lake Country Club and current president of the CGA, told GOLF BUSINESS his organization was not involved in collusion in raising fees. Illinois At-

torney General William Scott is charging the defendants conspired to fix fees at past Chicagoland Golf Association meetings. All increases allegedly resulted when the courses shifted from winter to summer rates. Scott contends competition between the public operations was suppressed.

Assistant attorney general assigned to the case is John Noel and he told GOLF BUSINESS from his Chicago office that there were not a large number of complaints from area golfers on the alleged pricing irregularities.

Indications from attorneys involved in the case are that the state will base its case not on a similarity of a specific price at all facilities involved in the suit, but on a similar increase in price at the start of summer rates. The consistent increase for each season was supposedly 50 cents.

Noel has been with the attorney general's office for 4 years and is a member of the private Itasca (III.) Country Club. He told GOLF BUSINESS he had never visited any of the clubs in question, even though the attorney general's office had stated that it had conducted an extensive 18-month investigation since the complaint was first brought to light in late 1975.

Illinois is seeking a maximum \$50,000 fine for each club involved in the suit. Both Coghill and Noel said the backlog of cases currently on the docket in Chicago will probably push the eventual court date back at least 2 years.

Noel has been quoted by Chicago news media as saying that the case is not necessarily based on whether fees are too high there. He contends that the basis of the complaint is that the facilities conspired to fix prices.

At Silver Lake, Coghill has 45 holes of golf and offers two daily rates, which are predicated on the

time the golfer begins play. Only green fees increase on the weekends, while golf car rental remains constant. A golfer can buy an all-day ticket for \$7 on week-days or \$8.50 on the weekend. This entitles golfers to as many holes they want to play. Golf car rental is \$11 per 18 holes before 3:00 p.m.

Silver Lake's twilight rate goes into effect after 3:00 p.m. Cost for 18 holes is \$4 on weekdays and \$5 on the weekend. A separate ninehole facility is a unique part of Silver Lake and Coghill keeps all ninehole traffic on that. The rate remains the same no matter what the time of day: \$3.25 on weekdays, \$3.75 on the weekend. Car rental for nine is \$6. These prices seem quite competitive with surrounding facilities.

One contention of the suit is that there were also unnamed coconspirators involved in the alleged price fixing. Indications are this is a standard legal tactic that brings in all possible parties that could have been involved, in any way, with the case.

Quoting from the complaint, the Illinois attorney general states, "The defendants and co-conspirators have entered into an agreement, understanding, and concert of action the substantial terms of which were to fix, control, and maintain the rate of green fees charged to the general public." Later in the complaint this procedure also alleges collusion in the matter of setting rates for car rental.

Whether there was price fixing or not is, of course, up to the state to prove. One person involved in leveling the complaint supposedly told the attorney general's office that when they initially asked at a course about what prices would be for the coming year a couple of seasons ago, they were told they would have to wait until a decision was made. (continued on p. 10)

Price increases being a fact of life these days, Coghill admits fees have risen more than 45 percent over the past 10 years, but he quickly points to the fact that the consumer price index has risen 76 percent in that same span.

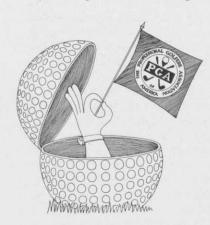
ASSOCIATIONS

Charity the winner in Golf Day promo

For the 26th consecutive year, the Professional Golfers' Association does its bit for all the good causes in the game, as the National Golf Day fund raiser kicks off May 29 and goes through the July 4 weekend.

As always, the golfer "competes" against the target score of top touring professionals. On June 6, PGA champion Dave Stockton, U.S. Open winner Jerry Pate, LPGA champion Betty Burfeindt, and U.S. Women's Open winner JoAnne Carner will establish the target scores at the Oakmont Country Club, Pittsburgh, site of the 1978 PGA Championship.

After the Round of Champions, golfers then compete with full handicap. If the golfer beats the target



score, he or she receives a resorttype bag tag stating "I Played and Beat the Champ."

An added extra for the participant this year is that each entrant donating more than \$2 will receive 18 personalized golf shaft bands with his or her own name and thename of the course or club. The bands are two-color and a \$4 value.

Nonprofit golf charities are the

real winner every year in the Golf Day event. Grants are presented to 27 major caddie scholarship funds. Turfgrass research is also supported by the drive in donations to programs involving the United States Golf Association and the Golf Course Superintendents Association of America.

More than \$2 million has been raised for the various charities since the program's inception in 1952.

Amick to president of architects

Highlighting the recent annual meeting of the American Society of Golf Course Architects at Hilton Head, S.C., Bill Amick, Daytona Beach, Fla., ascended to the presidency of that organization.

In business by himself since 1959, Amick is the second consecutive ASGCA chief executive to be Florida-based. Immediate past president was Ed Seay, Ponte Vedra Beach, Fla. Amick is probably best known for his many municipal golf and real estate development projects, including the Killearn Golf & Country Club, site of the Tallahassee Open.

Other officers in the organization include Vice President Rees L. Jones, Montclair, N.J., Secretary Jack Kidwell, Columbus, Ohio, and Treasurer Dick Phelps, Evergreen, Colo.

In a special presentation, noted golf writer Herbert Warren Wind was honored by the society by receiving its annual Donald Ross award. The plaque is emblematic of outstanding achievement to the game in the name of the late architect. Last year's recipient, Robert Trent Jones, presented the award to Wind.

One of the most informative sessions of the meeting was the allied association forum that included:Harry Easterly, United States Golf Association president; P. J. Boatwright, USGA executive director; John Laupheimer, USGA associate director; Al Radko, USGA Green Section director; Paul MacDonald, National Golf Foundation president; Harry Eckhoff, NGF director of information services;



Shown with Donald Ross award recipient Herbert Warren Wind (center) at the GCSAA annual meeting are (left to right) Secretary Jack Kidwell, President Bill Amick, Immediate Past President Ed Seay, and Vice President Rees Jones.

Palmer Maples, educational director of the Golf Course Superintendents Association of America; Harry Gray, immediate past president of the Club Managers Association of America; Mark Cox, executive director of the Professional Golfers Association; and Eugene Brown, president of the Golf Course Builders of America.

Nation's builders in free directory

Thinking about some redesign work on your facility this year? The Golf Course Builders of America has made finding them easier with a new 44-page, free booklet listing its members throughout the country. Features of the brochure include pictures of the members, along with golf course construction experience of each.

For the 1977 booklet, write GCBA, 725 15th St. NW. Washington, DC 20005.



NEW OFFICERS AND DIRECTORS of the Golf Course Superintendents Association of America (GCSAA) were elected during the annual meeting at the 48th International Turfgrass Conference and Show in Portland, Ore., in February. The officers are (seated, from left) Louis D. Haines, CGCS, Denver (Colo.) Country Club, secretary-treasurer; George W. Cleaver, CGCS, Chestnut Ridge Country Club, Lutherville, Md., vice president; Ted W. Woehrle, CGCS, Oakland Hills Country Club, Birmingham, Mich., president; and Richard W. Malpass, CGCS, Riverside Golf and Country Club, Portland, Ore., immediate past president. Directors are (standing, from left) David C. Holler, CGCS, Gulph Mills Golf Club, King of Prussia, Pa.; Michael R. Bavier, CGCS, Inverness Golf Club, Palatine, III.; Charles H. Tadge, CGCS, Mayfield Country Club, South Euclid, Ohio; Hobart T. Burgan, CGCS, Quail Creek Golf and Country Club, Oklahoma City; and Melvin B. Lucas, Jr., CGCS, The Garden City (N.Y.) Golf Club. Bavier and Burgan are new to the Executive Committee this year.