There was a time in the golf business when formal training of golfing assistants did not exist. Years in service were more important than years of growth in knowledge.

Today golf is a fast-paced, diversified business. Golf professionals and their assistants in that business have to be increasingly knowledgeable in many areas. It thus becomes the responsibility of Class A professionals and directors of golf to have a program which stimulates the overall development of their assistants and forces them to take on as much responsibility as possible. Then when the day comes that the assistants have the authority, they will be fully equipped to do the job.

At Callaway Gardens, assistant professional Don Ferrone has the responsibility for our pro shop merchandise control system, among other things, so I’ll let him tell how it works. — Donald E. Padgett

Callaway Gardens consists of 63 holes and plays well over 100,000 rounds of golf annually. Two golf shops service our guests at the Lake View and Mountain View courses, though the Mountain View complex does the majority of our total retail business. Being a golf resort business, we deal predominantly in softgoods — such as hats and caps, gloves, golf balls, golf shoes, men’s and ladies apparel, and jackets — for most of our gross sales. We carry a large selection of emblem headwear, screened logo jackets, and a broad selection of crested shirts and sweaters to accommodate our golfing guests.

Incoming merchandise is checked into a central storeroom where all packaging slips and invoices are carefully checked. All incoming merchandise is then recorded in a perpetual inventory ledger which accurately keeps a running inventory of our storeroom, before being transferred out to the golf shops. A transfer out form is completed, and then that total is subtracted from the current balance.

Upon written request from the golf shops, merchandise is transferred out of storeroom. Separate ledgers for each shop are kept on all merchandise transferred out. Markups and markdowns are also recorded to reflect changes in retail prices. This information is then posted in the perpetual inventory ledger.

Our receiving storeroom is set up under a perpetual system, which is easily administered. Our two golf shops use a retail inventory system which records cost and retail dollar

Callaway pro shop system overcomes merchandise inventory handicaps

by Don Ferrone
amount of inventory shrinkage. This is merchandise unaccounted for at the end of the month or sold at discount.

In planning our fall and spring lines twice a year, in May and September, merchandise analysis and projection reports are submitted to the golf director for approval. The merchandise analysis describes how many units of a particular item were sold with a total cost and retail value amount. This information will assist us in determining our markup percentages and the profit returned on each dollar that was invested. The projection report will forecast what we need to purchase. It includes total units to be ordered, dollar amount to be invested, and size breakdowns and color assortments to be chosen. Inventory control levels are exercised by spreading out shipment of hats and caps, gloves, and golf balls over several months.

When the salesman arrives to show his new line we know exactly what we want to buy. Each year in January, a complete merchandise profile summarizing a total picture of gross sales in each area of softgoods is submitted. Outlined are total units of goods sold, the retail value amount, the turnover rate, and the markup percentage on each item. It also includes a breakdown of sales between Lake View and Mountain View. It clearly shows how well particular items are moving and permits us to compare what percentage of sales were made at each shop.

With the above information we draw comparisons of merchandise sold versus rounds played. We compare these figures to each golf shop, and we can anticipate how much merchandise revenue will be generated based on total rounds played.

In summary, we are constantly striving to increase our knowledge in inventory controls and more effective use of analysis, projection, and profile studies. The working formula of Project — Buy — Sell — Analyze — Profile has proven very successful in our golf operation.

- Project what you want to purchase.
- Buy the merchandise at the best possible price.
- Sell the merchandise at a reasonable profit.
- Analyze what you have sold.
- Profile total merchandise sold.

This revolving formula should be beneficial in assisting new golf shop operations — as well as those golf shops with no buying plan — to program their merchandising needs to better serve their golfers and show an increased profit each year.