MARK WOODWARD HAS BEEN around for a few recessions and economic pitfalls during his 57 years. But the CEO of the Golf Course Superintendents Association of America has never seen anything like the economic debacle that has come to be known as the Great Recession of 2009.

“There have been ups and downs over the years, but there’s no doubt this has been the worst,” he says.

And Woodward, who has spent his entire career in the golf industry, says this is the worst he’s ever seen the golf economy, what with rounds flat and revenues down, and U.S. golf course construction at a near standstill.

But Woodward isn’t about to shout, “We’re doomed; we’ll never make it,” a la the pessimistic character Glum from the late 1960s cartoon, “The Adventures of Gulliver.” Like he’s been doing the past year, Woodward just wants to see this thing through.

Woodward is a cup-half-full kind of guy. He realizes he must be positive in his role. So don’t expect him to be wearing a sullen look on his face when you see him walking around the trade-show floor at the Golf Industry Show next month in San Diego.

“All the bad news … it wears on you after awhile,” Woodward says. “Even though it’s
Continued on page 20
Continued from page 18

a tough time for all of us, we still need to enjoy what we’re doing.”

Woodward has been on the job about 18 months. The economy tanked soon after he took over in July 2008. It didn’t take long for the GCSAA to feel the pain.

“It has been extremely challenging to say the least,” Woodward says. “We’ve had to reduce operating expenses here, which means we’ve had to reduce staff. That’s not fun at all, no matter who you are or what line of work you’re in.”

Woodward has had to lay off some longtime employees. Others took pay cuts. “We’re trying our best to keep morale high,” he says.

The GCSAA staff has decreased from 122 employees in 2007 to 90 today.

Woodward also implemented an employee furlough during Thanksgiving week and the week between Christmas and New Year’s Day. Employees, himself included, received seven days off without pay. The GCSAA also reduced the company match for 401(k) benefits.

Additionally, the GCSAA tightened its belt by reducing staff travel and staff programs for professional development. It also cut superintendent educational programs that weren’t economically viable, such as regional seminars.

“We’ve looked at everything we can look at [to trim costs],” Woodward says.

Woodward says the association’s revenues will be off 25 percent from 2008 through 2010. “If you put that into numbers, we were a $20 million organization in 2007, and we’ll be a $15.7 million organization in 2010.”

The numbers sound astounding, but they’re not when you consider myriad businesses in the golf industry and other industries are off just as much or more. Woodward says some of GCSAA’s partners are down 35 percent to 40 percent in sales, which translates into reduced marketing dollars for such things as booth size at the Golf Industry Show.

“They have to do the same things we have to do,” Woodward says. “And we understand that fully.”

Woodward says he presented a break-even budget for 2010 to the association’s board of directors in December.

“That means we have to live within our means and do what we can to continue to provide members with high-level service but with fewer people and resources,” he says.

Woodward reaffirms the GCSAA is in good financial shape, mainly because it owns its building and has a $6 million reserve fund. And Woodward also stresses the association’s mindset is not just about cutting costs.

“We’re also looking at every way we can generate new revenue,” he says.

The GCSAA experienced small membership growth in 2008, but that growth dipped about 3 percent in 2009. That’s not bad, all things considered. “We’re proud of that,” Woodward says, adding the association’s retention rate for professional members has been 93 percent.

Considering the tightened budgets at many golf courses, Woodward might sound crazy when he says there has never been a better time to join the GCSAA. But he makes a good point. Many superintendents are searching for answers to deal with the difficult economic climate, and GCSAA professionals can help provide those answers, he says.

Woodward has heard the tough-luck stories from superintendents who wonder how they’re going to get things done when their budgets have been slashed 20 percent. “The phone has been ringing here quite a bit,” Woodward says.

While many superintendents have had their budgets cut, their courses’ golfers still expect top conditions. It’s the same with the GCSAA, Woodward says. Even though the association is operating with fewer resources, its members still expect top service.

“Even though we have fewer staff members, we still have to serve our members at a very high level,” he says.

Woodward believes most GCSAA members are glad a former superintendent is leading the association. That’s because they believe Woodward can empathize with their plight.

“Obviously, there are people out there who thought I was the wrong person for this position,” Woodward says. “But I can hang in any conversation because I’ve been there and done that. As each day goes by, I’m getting further removed from the day-to-day operations on a golf course, but that doesn’t mean I’ve forgotten what I’ve learned for 35 years before that.”

Woodward’s aim is to prepare the association for better days, which he believes are coming.

“It will get better — there’s no doubt about it,” he says of the golf economy. “And we’ll be in a position where we’ve reset the organization to the point where we’ll be very strong on the other side of this thing. And as things get better, we’ll be able to grow
again and re-implement or re-evaluate programs that were eliminated.”

There are strong signs the economy is improving. Unemployment dropped from 10.2 percent to 10 percent last month. But Woodward, realizing the golf business was flat even before the economic downturn, predicts it will remain flat even after the general economic recovery occurs. “The golf industry will lag behind for awhile,” he says.

Woodward wishes he could be more sanguine about the matter, but he can’t — at least not right now. “I’m just looking at this realistically,” he says.

To improve business, courses and clubs might need to relax restrictions, such as dress codes, to attract more players, Woodward says. Courses and clubs might also consider more programs to attract families of players.

“I’m starting to hear talk about the need for our industry to look at things a little differently,” Woodward says.

Courses have had to get creative during the economic downturn to attract

Continued on page 22

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Sin City Rules

The Golf Course Superintendents Association of America decided to relocate the 2012 show from New Orleans to Las Vegas because it said most of its members and partners prefer The Land of the Tumbling Dice over The Big Easy.

Not that Golfdom was skeptical of the GCSAA’s decision, but we decided to conduct a survey of our own to find out where superintendents wanted to go: Sin City or The Crescent City?

Sin City won by a landslide.

72%
of about 250 superintendents surveyed said they’d rather go to Las Vegas than New Orleans.

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I Didn’t Go to the Show Because …

After the Golf Industry Show last year in New Orleans, we immediately conducted a survey about the show’s attendance. Realizing it was down because of the poor economy, we asked about 125 readers: Why did or why didn’t you go to the show? Here’s how they answered:

55% I didn’t go to the show this year because of my course’s financial cutbacks.

29% I went to the show because I go most every year and my course pays for my expenses.

12% I never go to the show.

4% I went to the show because I go most every year, although I paid my own way this year.
Continued from page 21

players. Some courses have cut prices to keep players coming, which can pose a dangerous scenario. Once a course slashes prices, it’s difficult to increase them back to what they once were.

“I understand people need to do what they need to do in the best interests of their facilities,” Woodward says. “There are certain things you can do to have some flexibility on your pricing structure and do what you can to meet the supply and demand issues. But, hopefully, people don’t start going too low on those areas.”

Woodward is aware some golfers have ditched their private club memberships to play less-expensive public facilities. “It makes sense when you think about it,” he says.

The weak golf economy will impact the show’s attendance again this year. Square footage of booth space will be down. Woodward hopes as many people attend the GIS in San Diego as they did last year in New Orleans, but projections are lower. About 17,000 came to New Orleans last year, a near 30-percent decline from Orlando in 2008.

But Woodward takes an optimistic approach in analyzing last year’s show. “Even though numbers were down from a quality standpoint, it was probably one of the better shows we put on in a long time,” Woodward says.

While attendance was down, there were still plenty of qualified buyers, Woodward says. Seminar classrooms were also less full, which made for more intimate settings.

“We heard a lot of positive things like that,” Woodward says. “But that doesn’t translate into dollars. ... We need to do what we can to help us get the numbers up, whether it’s square footage on the trade-show floor or getting more seats filled during educational sessions.”

While 2009 was the worst year Woodward has seen in the golf industry from an economic standpoint, it’s the best year he’s seen it from a collaborative standpoint with the GCSAA’s allied associations, which have united to discuss myriad issues, from player development to the environment to government relations. “We’re all in this boat together,” Woodward says.

It’s been a tough year for a lot of people in a lot of industries throughout the world. There has been plenty of contraction and correction. Lessons have been learned — in many cases, the hard way.

But in the long run, what has happened could turn into a good thing, Woodward believes. “It may be something that causes us to reflect back and look at how we can do things better,” he says. “Maybe this is the reset button that needed to happen for all of us.”

Hey CMAA, We Hardly Knew You

The 2010 Golf Industry Show is the last for the Club Managers Association of America, which is leaving the event after only three years.

The CMAA announced in October it was ditching the show because the Golf Course Superintendents Association of America decided to dump New Orleans from the 2012 show schedule in favor of Las Vegas. The CMAA said the GCSAA made the decision in spite of an agreement that it wouldn’t do so without consent from the CMAA and the National Golf Course Owners Association, the show’s other presenting partner.

The CMAA wouldn’t concede because it said it had contractual commitments that would cost its members more than $300,000 to break them.

But the GCSAA said it will save money in the long run by leaving New Orleans for Las Vegas. And besides, many GCSAA members and vendors don’t want to go to New Orleans anymore, the association said.

Mark Woodward, CEO of the GCSAA, said the GCSAA was able to “reduce substantially” its financial commitment in New Orleans after negotiating with hotels to overturn previous bookings. “Las Vegas will attract more people,” Woodward said. “Our vendors like it, and we’ll get more people there to offset any loss. It was a good move for us financially and gave us the best chance to succeed.”

Woodward said the GCSAA wanted the CMAA to stay in the show. “For the long term, it would be better if they were involved with us,” he says. “But everybody has to make a business decision, and that’s what the CMAA did.”

Along with the NGCOA, the CMAA joined the GIS to help make it a stronger show from a financial point. In this case, it was assumed size was better. But Woodward believes the show will be still be strong without the CMAA. “We don’t think it will be a huge impact,” he says of CMAA’s departure. “We still have other allied associations. I think this will be a strong show for many years. We’re going through a cycle now where things are down, and it’s a tough time. But we’ll survive and get on the other side of this.”