

Dealers' Meeting Shows Pros Haven't All the Troubles

By A PRO VETERAN

I HAVE JUST spent the earlier part of a profitable, interesting evening reading a report of the National Sporting Goods Distributors' association convention held last month at Chicago.

So many of the remarks made at this meeting are of lively interest to the pros that I am going to quote some of the convention speakers' remarks and comment on them from the pro's viewpoint.

It seems very plain, from many spots in the reports that the sporting goods dealers did not have an enjoyable year in 1931, but although we regard them as competitors the pros must congratulate them on the spirit of courage and thoughtfulness they showed during the convention sessions in planning their successful exit from their present difficulties.

The attendance of distributors and of manufacturers' exhibits established a record, so it is said. Official registration of 644 included 248 distributors. The manufacturers were charged \$125 a room for the privilege of exhibiting; income from this source defrayed the operating expenses of the distributors' association.

D. Keedy Campbell is vice-president of the association. In making his address he said something that PGA officials will appreciate. He remarked: "*Just what do our members expect the association to do for them. * * * One would think that our members thought we must be magicians—miracle men—who could make them all rich. I would that this might be so, but we know it cannot be.*"

The stores must have suffered severely from price cutting during 1931 for frequent references were made to that damage. In Mr. Campbell's statement he reminded the convention that the association could not keep each member's competitors from cutting prices or from doing unethical things. He related how the association stopped an organization that attempted to buy direct from factories and turn over the purchases to schools and colleges at practically cost. The unsound scheme threatened to bring

even a worse disturbance into the sporting goods dealers' situation.

The dealers' official said:

"How to meet the cut prices of the present day is a subject much too deep for me. I do feel, however, like asking the question: Is there any one in this room who believes that it would be possible to control prices under conditions such as we have undergone in 1931? I am sure no one does think that, but to hear some of our members talk one would think that they felt that cut prices applied to our line only. Take a walk down the street of any city and look at the signs displayed in the windows. 'Special Prices' or even 'Cut Prices' are entirely out of fashion—they are now 'Deep Cut Prices' or 'Extra Deep Cut Prices'—in fact using every adjective and superlative that they can possibly apply to attract the customer.

"I firmly believe, though, if conditions improve—and I am sure they will improve—that much of this will be overcome."

Dealers are not expecting any providential relief other than that they work out for themselves and must buckle down and go to work, advised one of the speakers. This keynote of quit wailing, wake up and go to work was again emphasized by Frank Bradsby, president of the Athletic Goods Mfgs. Assn. and of the National Association of Golf Club Manufacturers. He told in detail how the market seemed to drop out of the sporting goods industry about June 10 of last year, how many of the manufacturers and dealers got panicky, sold at liquidation prices and demoralized the market. Manufacturers who continued in this practice, he forecast, would find themselves deeper in the mire. "Depressions," said Mr. Bradsby, "have the advantage of weeding out the weak sisters and they teach those capable of learning, new and valuable lessons." In suggesting how to wake up the sporting goods industry he noted:

(1) *There should be a better and more thorough understanding between manufacturers and distributors. The fact that we*

are getting together here in a sort of General Congress of the Industry each year, swapping ideas, is a hopeful sign.

(2) We should be willing at all times to exchange information of value.

(3) We should try to improve the standards of business conduct; for instance, in such matters as price discrimination.

(4) Manufacturers and distributors alike should live up to the Trade Practice Code adopted by the Federal Trade Commission for our industry, and any violations should be promptly reported to the committee on appeals.

(5) An intelligent survey of the market and its possibilities could be made by a simple and co-operative effort on the part of the distributors' association and the various manufacturers' groups.

President Elliott of the association told something that will make the pros realize they were not alone with their 1931 troubles when he said:

It seems to me there is such a thing as a sport becoming too popular. In 1931 the sporting goods distributor found himself somewhat in the position of the famous "Light Brigade." Instead of cannon to the right of him, etc., it was golf clubs in the stores on both sides of him, golf clubs in the stores across the street from him, golf clubs in the corner drug stores. However, in spite of its many channels, I feel that the sporting goods distributor who sticks to high-grade golf equipment from standard factories will continue to get at least the most desirable part of the golf business.

It is obvious from these remarks that the stores have found that the pro position, based on quality merchandise rather than dirt-cheap prices, is the soundest merchandising status.

H. Boardman Spalding, vice-president of Spaldings, also confirmed this attitude toward quality and not price being the salvation of dealers' and manufacturers' profits. He pointed out that "*any temporary competitive advantage secured by a lower price is not likely to last very long.*" Mr. Spalding showed how the vicious cycle of price cutting ruined business to a degree absolutely fatal to the profits of all concerned. He vigorously condemned price discrimination, referring to it as "*the greatest harm that is done to the industry.*" He mentioned price discrimination as being contrary to the policy embodied in the federal laws.

After mentioning how price discrimination on college and school athletic equip-

ment destroys possibility of profitable distribution of this merchandise, he went after the situation in the golf field. In his remarks, which I quote verbatim, there is great hope that the sporting goods manufacturers are aware of the advantage of reducing the present wide spread between goods sold to pros and to department stores and other large outlets. Mr. Spalding said:

"Now, if we turn to golf and tennis, a different condition prevails. Here the buyers are individuals and the retail price becomes therefore the price of prime importance. I don't think this distinction has been clearly recognized and there exists a tendency to set up margins between the retail price and the manufacturer's price to distributors equal to the margins on team equipment. Such margins are too large and unjustified and are a direct invitation to price cutting."

Those are some of the meeting's high-spots of pro interest and I believe it will do all of us in pro ranks to plan our 1932 merchandising with the previously quoted references frequently in mind.

It is worthy of mention that the speakers' dais at the convention was flanked by two signs; one about National Baseball Week, and the other about National Golf Week, which the dealers schedule May 1-7 as the time of their initial sales drive. It is a reminder to us that we don't want to be caught asleep while the dealers are firing their big guns on the golf business.

All-Sports Record Book Is Club Library Essential

NOW AVAILABLE in a 1932 edition is the *All-Sports Record Book*, compiled and edited by Frank G. Menke, noted veteran sports authority. The price is \$1. Publisher is All-Sports Record Book, 235 E. 45th st., New York City. This book has histories and records of around 100 sports, with the Olympic Games records being especially timely and complete this year.

It is GOLFDOM's earnest recommendation that every golf locker-room in the country have a copy of this book as protection against sports record debates that continue for hours and hours to no decision. It's also a valuable home library item in these days of wide interest in sports.

Newspaper sports writers regard the *All-Sports Record Book* as the most important volume in their reference libraries. It has all the answers.