"Monthly Minimum" Plan at Tam

A MINIMUM spending house plan, similar to the "minimum charge" of restaurants and night clubs, goes into effect at Chicago's Tam O'Shanter CC April 1, announced George S. May, president, and sponsor of the Tam O'Shanter All-American Golf tournaments.

Calling the plan a radical innovation in golf club management, May, who operates the club and its tournaments on business engineering principles, said this was the first time, as far as is known, that a country club has adopted a minimum expenditure basis for its membership.

The plan, adopted in preference to raising of dues, is based on each regular golf member's spending $20 per month. The minimum for social, limited and women members is $10 per month. The plan was devised by May to provide a more equitable financial control in the management of the club.

"The primary purpose," he said, "is to insure that all members share equally in the support as well as the benefits of the club. Actually, this plan will affect only 51 of Tam O'Shanter's 300 regular golf members as the others now average more than $20 per month patronage.

"It isn't entirely fair for 224 members to 'carry the load' for the other 51 golf members, especially if the failure of the 51 to support the club results in a loss of improvements and service.

"There is nothing peculiar to the operation of a golf club as distinguished from any business venture," May states. "The minimum plan gives members value received in food, refreshments, green fees, etc., for the money they spend and guarantees a minimum operations income better enabling the club's board of directors to plan improvements and services."

The $20 minimum will be billed monthly to members but they will be credited for the difference should their actual monthly expenditure be less than the minimum set. This difference remains credited to their accounts and may be spent at any time.

Other innovations which May installed at Tam O'Shanter were the elimination of all special assessments and the development of the club's activity on a year-round basis including winter sports and indoor entertainment.

In a bulletin to Tam members, explaining the plan, May said:

"For example, an analysis of the Regular members' house accounts for 1944 discloses that of 297 Regular members, 224 had house accounts in excess of the minimum requirements. Of the 73 remaining, 22 had house accounts of over $200.00 (many only a few dollars less than the minimum), leaving 51 with house accounts less than $200.00 a year.

"An analysis of 114 Social members' house accounts for 1944 revealed that there are 25 whose house accounts were less than $120.00.

"The Board of Directors believes that this plan is the only democratic way of increasing our revenue for the following reasons:

"1. If dues were raised, it would fall on every member alike—on the member who is doing his share to keep up the club and make improvements possible, as well as on the member who is not. The member who is doing his share would get no benefit resulting from the raise in dues.

2. The Regular golf member who must bring his account up to $20.00 per month gets value received for the extra money spent—in food, liquid refreshments, and green fees.

"3. A golf club is no stronger than its members. It isn't entirely fair for 224 members to carry the load for the other 51 golf members. Especially is this true if the failure of the 51 to support the club results in a loss of improvements and service that all members desire in their golf club. Bear in mind in this connection that the minimum is entirely moderate and the spender gets value received!

"4. The Board of Directors can better estimate the club accounts receivable and can more accurately plan for the future improvements under this arrangement.

"5. To those whose house accounts were less than the minimum in 1944: by patronizing and supporting the club a little more you get the advantage of participating in the improvements before mentioned just as much as the members spending many times the minimum.

"Here is how this plan would work: Starting April 1, 1945, and showing on your May 1st bill, if the combined total of your food, drink and green-fee bills were not $20.00, you would be billed for $20.00 a month with a credit of the amount you had not spent. This process would be repeated each month, and you would pay a minimum in cash of $20.00 a month. This $20.00 would not show on any member's bill where the total spendings for the three items just mentioned amounted to over $20.00.

"There are probably about 225 mem-

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bers who will never see this $20.00 minimum on their bills because it is accumulative. To those who do not average $20.00 a month the unspent balance will appear each month. For example, at the end of six months, if you have not spent six times $20.00 on your house account for food, drinks and green fees, or a total of $120.00, and have spent, say for example, $110.00, your bill will read $120.00 instead of $110.00, but you will always have this credit coming.

"The real purpose of this plan is to have a minimum standard in order to increase the volume—to take up, for example, the loss in the dining room.

"In 1943 our sales in the dining room amounted to $65,396.00. In 1944 they amounted to $76,987.00, an increase of $11,591.00; but the cost of food went up $10,327.00, the chef's salary went up $1,235.00, total kitchen wages increased $6,077.00, dining room wages increased $2,650.00, employees' board increased $593.00, laundry increased $1,092.00—or a total of about $21,000.00 more for doing approximately $11,000.00 more business.

"We had to pay whatever prices were asked for food, and had to take whatever we could get. We had difficulty in getting help and had to pay increased wages; there was no out in either case. We could not increase prices over the OPA ceilings, so we had to take this loss, and only an increased volume in the dining room will absorb these losses; there is no other possible solution."

Show Spalding, Reach Lines

A. G. Spalding & Bros., and A. J. Reach, Wright & Ditson, Divisions of Spalding Sales Corp., have presented their 1945 spring and summer dealer merchandise in attractive folders recently off the press. Styled primarily for retail store selling they also serve as convenient buying guides. While both folders acknowledge the possibility of occasional shortages of some items, due to the war, they reaffirm a determination to keep dealers supplied with as much merchandise as it is possible to manufacture.