

# Plan Pro Shop Selling By Study of Records

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Before the pro in a northern or central state closes his shop for the year he should make a close study of the year's sales and inventory. If he isn't already in the habit of doing this it is high time he began. Each year that closes without a pro having available all possible data for planning his next year's buying and sales effort is a year of lost profit opportunity and a handicap to the following year's sales possibilities.

Have you analyzed your sales by months and by items? Do your records show rounds played on the course, weather, tournaments, purchases for prizes and other factors that enable you to have before you in black and white an exact picture of the business this year? If you haven't, how can you expect to order on any other than a guess basis for next year?

Your shop inventory is the foundation of your shop profit. The goods that you order, you own. Either you have paid for the goods or owe for them. The goods represent your potential profit.

Correct inventory and close inventory control determine pro profits whether your club is large or small. At the end of a season theoretically your entire inventory should have been converted into cash and profit. If you haven't before you **AT ALL TIMES** exact data on your inventory sales and orders so you can see how your investment is being converted into profit you are in no position to operate according to methods employed by the most successful professionals and every successful retailing establishment down town.

## Pro MUST Keep Records

It's really more essential for the pro with a short season business to keep close watch on his inventory and sales than it is for the store that is in business the year around. You must have records that keep your stock up to the point where you can do all possible business but not be out of balance so you'll reach the end of the season with profits frozen in stock that has to be carried over.

In setting up such a system your analysis of the year's sales should be recorded by months. Itemize each category of sales. For instance, you should have recorded by months sales of woods, irons, balls, bags,

shirts, jackets, hats, shoes, gloves, head-covers, and such miscellaneous items as may represent an appreciable volume of business in your shop.

Furthermore you should have a breakdown of the manufacturers from whom the various lines were bought.

From this data you can go back to study what might have been a more profitable procedure in your buying for the past year and the procedure that should be followed next year.

## Higher Costs Require Vigilance

Now it's more important than ever that the pro make such a study as the foundation of his operating policy because costs of merchandise are higher than in former years. He can make more money—or he can lose more.

Say when a pro opens his shop May 1 at a northern club he has (at his retail selling price):

|                            |         |
|----------------------------|---------|
| Inventory on hand .....    | \$5,000 |
| On order .....             | \$3,000 |
| And sells during May ..... | \$5,000 |

He should have ordered for early June delivery merchandise that will retail for \$5,000 to replace merchandise sold in May. He must keep his inventory up to the extent that will enable him to serve his members satisfactorily so their buying interest won't diminish and he can continue to make a profit on the greatest possible volume.

As the season nears its end the pro has to figure on liquidating his stock, or coming as near to it as he can. The wisest of merchants seldom can buy so precisely they're able to liquidate all their stock under normal conditions. The pro will have something left over. But he must see to it that he is not stuck with any "quack" merchandise that can't even be sold at sacrifice prices.

A pro may say that he can't establish such a system of inventory control of buying because he is going onto a new job. In such a case he can come nearer by written and studied estimate of the figures he can get from club accounting offices on his predecessor's sales by months than he ever

could come by guessing. Of course the preceding fellow may have made some mistakes in buying and selling but at least the figures give a better indication of demand than a rank guess would be.

### Watch Your Investment

A pro these days has to figure that he has to have in cash and salable merchandise that he has carried over from the previous season a rather substantial investment in his business. Say that he has \$5,000 in his investment for doing business at a club. He must realize that this \$5,000 has to have a four time turnover during his season to give him a \$20,000 volume for the season and that's a very moderate figure for operations necessary to meet the pro's share of a pro department payroll and come through with a merchandising profit in a comparatively short season. If more club officials realized what the pro is up against in this matter of shop investment and turnover in supplying the members with the best and wide choice of equipment there would be larger guarantees given to pros by clubs.

But—and let us be frank about it—if a pro doesn't know and watch the relationship between inventory and sales and keep this ratio under close inspection as sales in various categories fluctuate by months, how should a club official be expected to know what the pro's business problem is?

### Buy to Month's Demand

The pro must buy carefully to the month in which he is selling as the demand for items changes with the months and with unexpected weather.

He can't buy the same amount of the same items each month. He has to have a written record of sales experience as his guide. And even with such a record he must be vigilant so that the peculiar conditions of the postwar period don't knock his estimates suddenly cock-eyed.

Sales figures for 1946 and 1947 have been unusual. Probably the 1940 and 1941 sales figures plus 20% might be a safe guide in most cases but in going over sales records with many a canny, successful pro businessman I have repeatedly seen that only one's intimate knowledge of a club membership as considered along with the sales record can determine helpful inventory and sales quotas.

Careful study should be given by pros to ratio of brands in inventory and sales. He is finding that his business is growing in great volume beyond the strictly playing items. He will learn, about shirts for instance, that the size range varies from that carried by stores. There is more of a demand for the larger sizes at pro shops. He will learn, in most cases, that shirt sales are about four times those of rain jackets.

### Sales Records Surprising

But in studying sales of clubs many pros will find their records surprising. Our salesmen, and I believe the salesmen of other club manufacturers, have found during the past two seasons that pros often order more wood than iron clubs. It hasn't been much of an error so far as there is a ready demand for whatever of the good brands can be delivered. But close examination of representative pro shop sales records over a period of normal pre-war years reveals that the sets of irons outsell sets of woods about 3 to 2.

One thing pros often find by planning this coordination of inventory and sales is that they have ordered too little to take advantage of such demand as there was this year and which seems virtually certain for 1948. For example, one pro at a live club of 250 active members ordered 40 sets of woods last year. His sales showed 20 sets sold in May, 12 in June and 8 in July. He could have sold more if stock had been on display and inviting. This was no year for getting rush deliveries from any manufacturer.

You may be out of pro shop selling business when the leaves fall and the snow comes down but you're never out of thinking business if you're a Class A pro businessman. Get yourself a coordinated inventory and sales record as your operating basis for 1948 and you'll think yourself into a bigger profit.

### RYDER CUP TEAM SELECTED

Personnel of the team representing the United States in the seventh renewal of the Ryder Cup matches to be played over the fairways of the Portland Golf Club after ten long years of war time suspension have been selected for the first time by the PGA on a point basis. The American team will be composed of: Ben Hogan, Jimmy Demaret, Herman Keiser, Byron Nelson, Sam Snead, Lloyd Mangrum, Ed Oliver, Herman Barron, E. J. Harrison, and Lew Worsham.

A certain number of specified points were awarded any player finishing among the first ten in any PGA co-sponsored tournament, the National Open and PGA Championship, the higher the player finishing, the higher the number of points, between January 1, 1946 and September 1, 1947.

Each of the players listed above were among the leading money winners in 1946 and are among the leaders again this season with the exception of Byron Nelson who has a sufficient number of points by virtue of his 1946 triumphs.

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**NEED SUPPLIES? SEE PAGE 101**