



## Frequent Display Changes, Playing Up Regional Flavor Boosts Apple Valley Sales

At Apple Valley (Calif.) CC displays are frequently shifted from one side of the pro shop to the other to inject a note of freshness into the merchandising scheme. Counter type racks, with pegboard backdrops above them, enable Lloyd Mangrum and his assistant to change practically the whole shop around in only a couple hours. Note how clubs are displayed in the counters. Apple Valley carries a complete line of desert togs which quickly attracts the eye of the many visitors who play the course. Playing up of regional fashions can be profitable for pros in all parts of the country, especially if their courses get big play from visiting golfers.

*Chuck Curtis photos*



## Taxes Compel Pro to Know The Score on His Business

Kenneth Lake, Pres., Long Beach chapter, Calif. Society of Certified Public Accountants

Everything in the pro's business is related to taxes. Stiff taxation may be a partially disguised blessing for pros in making them careful about income and expense records.

A winning putt might cost a pro more in taxes than in additional prize money.

Lake said that experience at some pro shops shows that of the investment in inventory, 40 per cent is in balls and the turnover is 3 for a year; 35 per cent in clubs and bags with an annual turnover of 3; and in apparel and miscellaneous items the inventory is 25 per cent with a turnover of 2 a year. These cases are not to be regarded as "average" due to wide variations in pro shop operations. In numerous instances, apparel business constitutes about 35 per cent of shop volume.

Pro income, other than shop sales, often determines whether the pro can make enough

out of the job to warrant a competent man keeping it. Lessons, bag cart and golf car rentals and range income, in some instances, yield an income equal to 75 per cent of the profit on merchandise sales.

Wages take 30 per cent of gross profit. Percentages of other expenses in relation to gross profit of a pro shop have been recorded as: Advertising and publicity, 5; shop supplies, 6; range expense, 6; tournament expenses (in cases of club pros) 3; licenses and taxes, 2; shipping, 2; insurance, 1; legal and accounting, 1; bad debts, 1/2.

The pro saves money and worry by hiring competent accounting and tax advisory service. This is a job for a specialist just as golf instruction is a job for a pro.

The pro must carry adequate insurance.

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