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Athletic Goods Sales Census Prompts Taking of Second Look at Pro Market

Long-Lasting Balls, Trade-In Situation, Close-Cut Rough, Other Factors Eat Into Shop Sales, Hurt Profits

By **HERB GRAFFIS**

Release of the 1960 census of Athletic Goods Manufacturers' Assn. should get pros and golf goods manufacturers looking together at what the score is in the golf business.

The better the pros do, the more money the manufacturers also make, but before either group begins adding up its profits it suffers enough marketing headaches for both. Golf merchandising is no simple, easy feat although golf merchandise outsells other athletic goods by a substantial margin.

Golf equipment (clubs, balls, bags, club carts, etc.) in 1960 accounted for $86,775,170 (at factory selling price, including excise tax) of total athletic goods sales volume of $197,447,617 reported for the year.

Other items reported include baseball and softball equipment, in second place, at $35,737,983; athletic shoes, third, at $21,788,378; inflated goods at $18,232,631: Miscellaneous items, tennis, badminton and related equipment, athletic clothing, helmets and pads, then, finally boxing gloves to the amount of $481,749, follow in order.

The sales volume reported by the census is not the entire amount manufactured. Some manufacturers do not participate in the census. In the case of golf goods it is generally believed that over 85 percent of all clubs (including putters) sold by makers last year and about 90 percent of the balls figure in the report.

Baseball equipment sales do not present a true comparative picture of American athletic goods manufacturing due to the volume of Japanese goods sold here, authorities point out.

Looking at the golf figures from the pro market viewpoint there are illuminating points that suggest study of pro merchandising policies and certainly show the urgent necessity of market development.

Last Too Long

One trouble with the golf market is that playing equipment lasts so long. Pros often say that about a third of their members are playing with clubs that are outgrown and don't fit the age of the member's swing. The top quality golf ball sales in years shortly after World War II closed indicated that a ball was played one round. Now the figures indicate that the top grade ball has a life of two rounds. The number of golfers has not doubled.

The top quality (the pro quality) of golf balls in 1960 was about 57 per cent of the total reported sales of 4,225,174 doz. The 1960 sale of all balls reported was 289,411 doz. more than 1959 but the top grade fell off about 1 per cent.

In 1950 top grade ball sales were 63 per cent of the total.

The considerable increase in public course play and in women's play at private clubs probably accounts for the slump in percentage of top grade balls sold. One of the pro merchandising problems is to get women buying more golf balls. With the ball cover almost cutproof and the paint wearing well, the woman golfer does not get the ball looking used after a number of rounds of play.

Cut Rough; Cut Ball Sales

Veteran pro businessmen believe that a mistake that cost a lot of ball business was made when the rough was cut down. They say that the first criticism of rough came from tournament professionals and that yowling gave the rank and file the notion of practically doing away with an interesting and traditional feature of golf architecture that sold golf balls.

Water holes on a course help ball business and temporarily remove from play rather beaten-up balls.

Another sidebar to the ball business is the 1961 Rule of Golf that calls for stroke and distance for out of bounds. Many golfers consider that losing a stroke and the price of a ball adds up to too much of a penalty and they want the 1960 rule of "distance only" restored.

That brings up the moderate increase in the average price of golf balls over the last 10 years. Balls and clubs have been lagging, comparatively, in price increases despite higher costs of material and labor, hence the golfer is getting a bargain, particularly in the high quality items.

Top Quality Percentage Falls

Iron club sales reported for last year was 4,733,227, an increase of 87,962 over 1959.

In 1960 about 33 per cent of the irons were of top grade. In 1950 more than 45 per cent of the irons reported were of pro grade.

Wood club sales reported for 1960 were 1,951,027, an increase of 41,854 over the previous year. Top quality accounted for about 39 per cent of the woods. In 1950 approximately 59 per cent of the woods were top grade.

The reduction in the percentage of top quality clubs sold is not anything to panic pros into going into a price war where they can't win because somebody else always can undercut.

The figure does suggest that pros study what is in their members' bags and, if the results suggest, stock a medium price or open stock line or look for the closeouts and get competitive with lower-priced sources. It's worth a second look.

Gary Player and his wife, Vivienne, probably died several hundred deaths while waiting for Arnold Palmer to decide what he was going to do in the last round of the Masters, but everything finally turned out as the scriptwriters would have it. Gary's daughter probably doesn't realize what all the excitement is about, but did you ever see a more exquisite expression of triumph?

The pro has an advantage in his trade-in arrangements on high quality club purchases but these are mounting difficulties in the trade-in deals which mean that two sales have to be made to make one profit.

GOLFDOM is working with several pro businessmen on a plan intended to convert part of the trouble of the trade-ins into a valuable market promotion operation.

Obviously market development is the sure and sensible answer to most of the pro, manufacturer and dealer problems in golf merchandising. The pro has not a monopoly of marketing troubles. The dealers gripe about the "discount" and "wholesale" houses cutting golf prices as much as the pros complain about the dealers cutting.

Young Market Growing Big

Joe Graffis, sr., Golfdom publisher, and Pres., National Golf Foundation, in his report at the annual meeting of the Foundation said that there were 190 new courses, 35 additions (mostly 9 hole additions) and 51 new par 3 courses built last year, a record year's growth in golf facilities. About 35 per cent of the new conventional courses were features of real estate developments. There now are 6,118 conventional courses (3,442 of them 9-holes) and 419 par 3 courses of which 313 are 9-hole and 106 are 18-hole courses.

Golf growth in colleges continues to be

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brightly favorable as a market factor. There now are 142 colleges with their own courses. The National Collegiate championship, in the opinion of many, now is a more important championship than the National Amateur.

Junior classes and play continue to feature summer programs at most lively clubs and at public courses where pros, park departments and school athletic departments work together for community good.

There has been a recession in the Junior programs at some clubs due to the increase in play and the complaining by some of the crabbier members that one round of kids' play a week is a nuisance, notwithstanding the possibility that the kids play faster, mannerly and with more consideration for the course than is shown by the complaining elders.

Professionals state that the most interesting junior programs and those which mean the most to the future of the clubs and golf business in general are those run by women's committees.

Junior classes far more than offset the reduction in caddies that occurred when the bag cart came in. Caddie prices were getting too high for many golfers and the bag cart unquestionably increased play. Now, with the golf cars there may or may not be a further decrease in caddies. The cars operate when the kids are in school and on that account bring players to the clubs. Furthermore the 350,000 carts now operating produce considerable revenue for clubs and pros and caddies don't do that, at least until they become players and buyers in the golf market. The golf car automation of golf does not seem to have anybody worried as something that eventually will eliminate caddies as replacements in the golf market.

At this time it seems almost certain that the Par 3 courses are going to bring millions of youngsters and women coming to somebody — let us hope pros — to buy golf equipment.

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