
**Many Clubs Expand
Services — But For Whom?**

Do Most of Members Benefit from Capital Improvements?

By **GENE O'BRIEN**

Professional, Rolling Hills CC,
Wichita, Kansas

In my spare time work as a club consultant, I hear a good deal of grumbling about the steady increase in the cost of operating country clubs and the consequent increase in dues and assessments. Capital expenditures often come in for a good deal of criticism.

Taxes take a bigger bite each year. So, too, do wages, materials used in maintenance, food and liquor re-sold in the restaurant and bar, supplies of various kinds, and, in many cases, insurance. The cost-of-living index, according to government figures, either stays steady or does no more than creep up from quarter to quarter, but you'd never believe it upon looking over the income and expense statements of many country clubs. Expenses, it seems, are always taking a substantial leap forward, making it mandatory that income do the same, or the club eventually will be going to the highest bidder.

Country clubs, as I see them, are a good deal like city, state and federal governments. People who pay for them are often behind in their payments. The

various government branches, in softening up the public for new increases in taxes, always maintain that services are being broadened and therefore more money has to be extracted to pay for them. Whether these services actually materialize is another thing. And whether the public actually benefits from them is questionable in many cases.

Many country clubs are copying the government in this respect. They are expanding their services — but for whom?

Demands May Be Great

Often, it only takes about six or eight influential members to prevail upon the board to build a new wing because another lounge is wanted, but not necessarily needed. Or, these same members may want to expand the restaurant, which presently isn't even paying its way in what are described as "cramped quarters". Or, it may be that they want to enlarge the lockerrooms so that massage parlors can be installed. Or, they may want a skeet trap, or bowling alleys, or possibly a landing strip near the club even though perhaps only two or three members own planes.

More than one country club is being operated from the lockerroom or the bar

room and not from the front office. The most unpopular boards so often are the ones that don't spend much money. Influential members, in so many cases, don't use much business sense in pressing for additions to the clubhouse or in building new facilities. Some of these people may be directing or managing large corporations where all emphasis is on returning a profit so that no dividend is missed. But as far as they are concerned, the profit motive goes out the window where club affairs are involved.

Outside Competition

What many of these influential members don't take into consideration is that the golf course probably is the only operation at a club that doesn't have outside competition. The dining room, bar, tennis courts, swimming pool, etc. are competing with TV, night clubs, theaters, good and bad local restaurants and several other forms of outside amusement. The competition may not be so formidable in smaller communities, but it can be murder in and around large cities.

With all these outside diversions cutting down on club patronage, it can be a very expensive proposition to keep the club dining room open in the evening or, for that matter, even at lunchtime. Day in and day out, how much does it cost to serve a salad or hamburger at noon-time and a steak in the evening? Some managers have told me that a dollar or more per setting is lost on evening meals on those slow weekdays when the dining room personnel outnumber the diners. The noontime gross usually is sufficient to more than take care of food costs, wages and overhead thanks to Ladies' Days and heavy play on Wednesdays and weekends, but there are occasionally days when the take barely outruns expenses.

One Night Doesn't Make A Week

When the influential members start agitating to have the restaurant enlarged, it often is because they have spent no more than a Saturday evening at the club. Patronage is at its peak on this night and all of a sudden the dining room seems to be completely inadequate to handle the crowd. Somebody starts grumbling about the lack of facilities "for



—Bill Mark photo

Ken Venturi hands the ball which he played when he shot a record 30 for nine holes in the third round of the Open to Fred P. Koehler, sales manager of Royal Golf Equipment. Besides collecting \$17,000 for winning the USGA event, Venturi received a \$10,000 bonus check from U.S. Rubber.

a club of this size" and immediately there is talk of knocking out a wall and expanding the restaurant to take care of the demand. What is forgotten is that on the previous Tuesday evening a person could have practiced wedge shots in the dining room without having endangered any patrons.

The test is whether the day in, day out patronage justifies expanding the restaurant facilities. Even if a club has one big night a week every week for four or six months a year its overall gross may not be large enough to make this capital expenditure wise or worthwhile. What has to be taken into account is the amount of time that the restaurant is idle or is patronized by only a few people.

Consider Average Income

No board of directors should consider financing to expand facilities without first giving some thought to the average income of its members. A board should resist the all too human weakness of trying to keep up with the richer club across town when it knows that it is going to burden its membership with too high assessments or a debt burden that is going to be dragged out over a great many years. No board should allow itself to be swayed by the argument, "Well, if they can't afford it, they shouldn't belong," in

(Continued on page 66)

Capital Improvements

(Continued from page 26)

making a decision as to whether or not some facility should be added or expanded.

Every country club has an economic level. It remains quite stable over the years. In the last analysis, the club's economic level should determine just how ambitious or large any capital expenditure should be. It shouldn't be forgotten that when there is capital expansion, a day by day expense increase goes along with it and becomes permanently established.

How Many Will Enjoy It?

Almost as important as the economic aspect of any large addition to a club's property or facilities is the question of how many people actually are going to enjoy it. Previously, we referred to the skeet trap or bowling alleys or even the landing strip that some clubs invest in. These might be expanded to take in ski facilities, curling rinks and similar facilities. They are fine things to have if they are economically justifiable and if a reasonable number of members plan to use them. What percentage of members will be able to take advantage of any new facility is something that individual clubs have to work out.

I have come across several clubs that haven't necessarily been wrecked by influential members, but the damage has been great. There are those, of course, who say that the membership can vote down anything that it feels is not economically feasible or which the majority doesn't actually want. That is fine. The veto should be exercised when a planned capital expenditure seems to be out of line. Members, too, should protest when expenses outrace income, making year-end assessments necessary to keep the club out of the red.

Votes Are Dictated

But, like in politics, the power of the veto is rarely used at most clubs. When it comes to voting on almost any issue, members are apathetic or they allow the influential members to dictate their votes. Too many people don't want to be accused of "standing in the way of progress."

Too many are swayed by that patented phrase, "Well, if the club across town has a polo field, certainly we can afford one."

Country club members can't bury their heads in the sand. If there is need and demand for an additional lounge, an expanded dining room, a curling rink and enough people will benefit from one or all, these things should be added. But that familiar old question, "Is this addition necessary?" should be asked of himself by every member in the club when some new facility is suggested. I have talked with too many officials in the last year or so who are alarmed by the high cost of keeping country club doors open to know that a good deal of money is needlessly going out the window, or that too many members are not realizing benefits from some of the things they are paying for.

Wear Color to Sell It

(Continued from page 36)

every year or two, shortly before the women's fashion show is held. This year the place is brilliant in a combination of pattern wallpaper, yellow painted walls and woodwork and a touch of light gray to harmonize with the carpeting.

"Don't go overboard on me as a golf-wear specialist," says Charlie Burkart. "I'm interested in more than just selling and wearing flamboyant sportswear."

From which, Burkart proceeds to detail some of the things he does, and has done, in his more than 38 years in the golf business.

Still Uses "Specials"

As far back as 1929 he was immersed in junior golf programs, running free clinics for several months and climaxing them with a series of tournaments for different age groups. More than once he reached into his own pocket to buy trophies so that the kids who did well in the tournaments had mementos to show for their achievements. The Junior program continues to be an important fixture at the Cedar Rapids club.

Player Sells Self

There are about 250 men and 100 women players at Elmcrest. That many