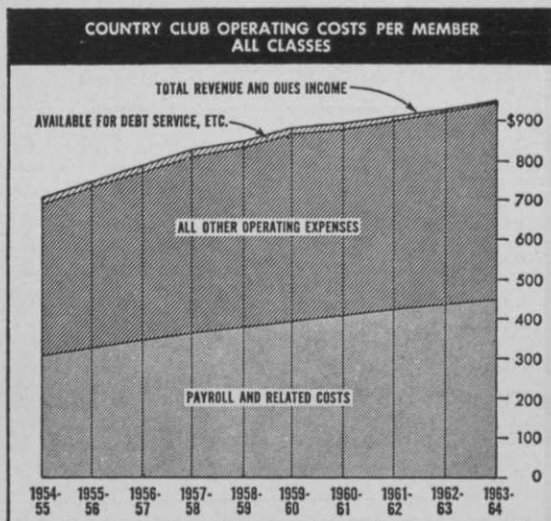
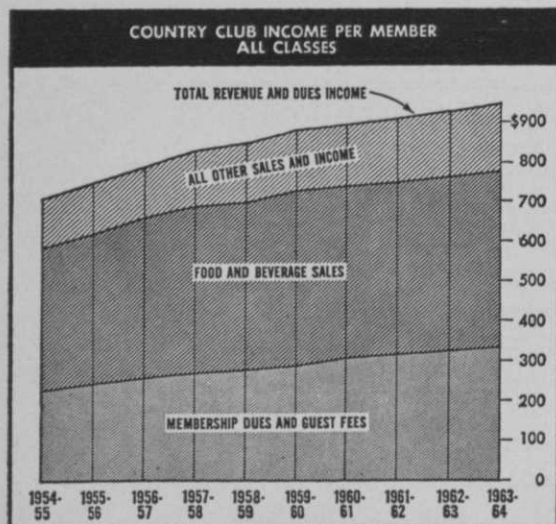


## Rising Operating Costs Outrun Revenue Gains

**A**dvances of 47 per cent for country clubs and 30 per cent for city clubs in payroll and related costs over the past ten years have been the major contributing factors in increasing the costs of operating country clubs by 37 per cent and city clubs by 22 per cent during the past decade. Naturally, the cost of membership in a club has also been on the rise, but the rate of increase has not been nearly as great as that for expenses. As a result, many clubs (particularly country clubs) are finding themselves in financial straits with insufficient funds to cover debt service, capital improvements and other financial charges.

The city club member has found that his total membership costs are about 16 per cent higher today than they were ten years ago. His dues are up by 32 per cent and his expenditures for food, drink, occasional lodging and incidentals are some 11 per cent higher.



The country club member's costs have advanced somewhat more with increases of 46 per cent in dues and 29 per cent in house charges, resulting in an overall rise of 34 per cent in total expenditures.

These conclusions were developed by a recent national survey of the operating results of 50 representative city clubs and 50 golf clubs. The survey, entitled "Clubs in Town and Country — 1963-64," was conducted by the national accounting firm of Harris, Kerr, Forster & Company, and includes data from clubs with fiscal years ending last May.

Revenue and dues income for the 50 city clubs totalled 54.3 million dollars during the year 1963-64. Their operating costs and expenses totalled 52.3 million. The balance of \$2 millions available for debt service, capital improvements and other financial charges was \$162,000, or 7.5 per cent less than that recorded during the preceding year. Of each dollar of total revenue including dues income, 96.3 cents was required to absorb the current year's operating costs and expenses.

The operating revenue per country club member averaged \$611 during 1963-64 with \$275 representing food, \$166 beverages, \$64 sports activities, and \$106 all other charges. In addition, annual dues averaged \$405 per regular member and \$175 for all other membership classifications.

#### **Gain Absorbed by Costs**

The current year's total gross revenue and dues income of 28 million dollars for the 50 country clubs exceeded last year by \$753,000. This gain was more than absorbed by an increase of \$829,000 in operating costs and expenses. As a result, this year's balance of \$31,000 available for debt service, capital improvements and other financial charges, was \$76,000, or 70.9 percent lower than last year. All but one-tenth of one cent of each dollar of total revenue and dues had to be set aside during the current year to meet payroll and other operating costs and expenses of country clubs.

Each of the 50 country clubs included in the survey operates golf courses. The golf course maintenance costs per hole averaged \$3,505 during 1963-64, and \$3,371 during the prior year. Over the past ten years there has been an uninterrupted increase in these costs. The 1963-64 average of \$3,595 per hole exceeded by 45 percent the 1954-55 cost of \$2,410.

#### **Palmer Shades Nicklaus**

Through the first week in October, Arnold Palmer had earned \$110,743 to lead the money winners on the PGA circuit. Jack Nicklaus was second with \$107,717. Palmer was the only player with a stroke average under 70. He had a 69.92 mark for 88 rounds.

## **USGA Adds Venturi Open Film to Rental Library**

"The Open: The Comeback of Ken Venturi" is the newest addition to the library of rental films available from the United States Golf Association, 40 East 38th St., New York, N.Y. 10016. In full color, the 16mm film runs 32 minutes and costs \$20.

Other USGA films available at a rental cost of \$20 per showing are: "The Open: Ouimet and Boros at Brookline" and "Oakmont and the Open". "The Rules of Golf: Hazards" is available for a \$15 rental fee.

A number of USGA films can be rented for \$10. These are: "Golf's Longest Hour: the 1956 Open"; "The Rules of Golf: Etiquette"; "Play Them as They Lie"; "Great Moments in Golf"; "Walker Cup Highlights", "St. Andrews, Cradle of Golf"; "Famous Golf Courses: Scotland"; "Famous Golf Courses: Pinehurst #2"; "1st World Amateur Team Championship, Eisenhower Trophy-St. Andrews"; "2nd World Amateur Team Championship, Eisenhower Trophy-Merion"; and "3rd World Amateur Team Championship, Eisenhower Trophy-Kawana, Japan."

Requests for films should include the proposed showing date and an alternate. The USGA also will supply sale prices on all of the above films.

#### **"Wonderful World" Films Available**

Shell Oil Co., 50 W. 50th St., New York, N.Y. 10020 has made 31 films available on a free loan basis to golf clubs, service clubs and sports organizations. Originally shown on the firm's "Wonderful World of Golf" TV series, the films feature international golf stars playing world-famed courses. All but one of the films are in color. Each film runs one hour and includes aerial views of the course, tips by the featured professionals and a travelog of the area. Gene Sarazen narrates the matches with George Rogers.

#### **1966 Open at Olympic**

The 1966 USGA Open will be played at the Olympic Club's Lakeside course in San Francisco, returning to the site where the 1955 event was played.