

# The Golf Business OUTLOOK

## **Buyers still in right mood**

While the economy will continue to expand this year at a healthy rate, the gain will nevertheless be slightly smaller than that in 1965. This was the consensus of the country's leading economists at the time that this issue of *GOLFDOM* went to press. It is estimated that the nation's Gross National Product (GNP)—the total output of goods and services—will rise to about \$710 billion this year. This represents a gain of 6% over 1965's GNP, but will not quite match the gain of 6.5% from 1964 to '65. A cheerful sign is that consumers are still in a buying mood. The latest Commerce Department survey available revealed that more Americans planned major purchases—such as cars, appliances and other durable goods—in October of last year than in the previous July or in October of '64. Retail sales last November were up 11% over November '64, and the '65 Christmas shopping spree was 15% better than in the previous year. Plant and equipment spending by business will be boosted by 15% in 1966. This will about equal the '64-65 rise and is due to the pressure on plant capacity created by the necessity of supplying both military and civilian goods. State and local spending is expected to maintain its annual 7% growth rate. On the other side of the coin, the Vietnam war will undoubtedly mean a hike in Federal military spending. Economists expect an \$8 billion rise in 1966—ironically about the same amount they think the President's Budget will be in the red this year. While few experts think the U. S. will suffer the same kind of inflationary surge experienced during the Korean War, the problem is not going to disappear this year. Consumer prices have been rising at an annual rate of 1.2% in recent years. Most analysts predict that they will rise at least 2% in 1966—a situation that needs watching. In fact, had it not been for the Federal Reserve Board's boost of the discount rate on loans to banks, the rise would have been still sharper. By making borrowing more expensive, of course, the rate increase will keep business activity from accelerating so quickly as to cause really sharp price increases. Over the long haul, however, the economic picture is very rosy. According to a McGraw-Hill Economics Dept. study, the nation's economy will grow faster over the next 15 years than at any time in the past half century.

## **Knickers, bell-bottom slacks make scene**

There will be more paz-zazz in men's fashions this year. Projecting the picture at his firm's recent Golden Anniversary Convention in Hollywood, Fla., Burton E. Ruby, president of Jaymar-Ruby Inc., Michigan City, Indiana, said: There will be even more zest and flair in men's fashions for 1966. Knickers are back in style for the coming spring-summer season, as well as bell-bottom slacks. The bell-bottom slacks will add new spice to men's fashions. They've captured the fancy of women—why not the men? But hold the phone. Things could be better or worse, according to taste in colors. "There will be more of the 'total look,'" Ruby continued. "The accent is on the bold, masculine colors and fabrics, away from loud iridescents and lighter colors. Blues particularly will become very strong—from mediums to darks in men's fashion—besides burgundy and blends of burgundy and bottle green called 'Greenburg.' Because of the continued popularity of solid-color blazers and sport coats, checks and patterned slacks will be featured by alert merchandisers. They will be featuring combinations such as blue and white, whisky and white or burgundy and white for spring '66."