Reports on pro shop business

HURTING BUT HOPEFUL

East

By Gerry Finn

NEW YORK—People in the East are playing the stock market more, enjoying it less, and golf is feeling somewhat of a pinch in the bargain. However, the state of the national economy has not taken a clear-cut effect on pro shop sales throughout the area. One pro claims he is enjoying an upswing in golf equipment because of the four-year cycle.

"This just happened to be the fourth year I've been at my club," he says. "And four years average out as the length of time a golfer stays with one set of clubs. Consequently, my equipment sales are up 20 per cent.

"But, I don't think you can look at my club and call it typical," he continues. "Our few members, who rely on the stock market for the bulk of their revenue, are an older crowd. So, they don't play much golf anyway. They aren't the ones who affect the business here."

Another metropolitan area pro doesn't talk cycles or age brackets. "We're down 20 per cent in all sales," he moans. "Half of the people at my club are brokers. They're in the stock market up to their ears and I can hear the prices tumbling with them." The only sales keeping pace with the past for this professional are those in golf balls.

One of the most affluent clubs in the metropolitan area, and in the country for that matter, is just beginning to feel the grind of a slumping economy. Its pro says:

"My whole first quarter was off 10 per cent," he started to reel off a discouraging report. "But that only tells half of the story. We're strong here on people working at and playing the stock market. Just from a random look at my figures for the last two months, I'd say things keep getting worse."

One of the interesting asides to the commentary here was that golf lessons were in perhaps the biggest slump of all. "I had a horrible spring with lessons," the pro says. "It's picked up a little, but I'll never get back what I lost."

Meanwhile, the season is not a complete washout for some pros. One club has had an over-all upward trend in sales. Again, though, the income on equipment is lagging. "I'm probably 10 per cent ahead of what I was doing last year at this time," this pro offers. "But all of the increase is in soft goods, mostly ladies' clothes. My clubs aren't moving at all. Perhaps indecision has something to do with this irregular breakdown of sales."

This indecision has to do with people waiting for the arrival or not of stainless steel clubs. The same pro tells that members have wanted to buy clubs but hate to invest in a product which will not be the very latest should the stainless steel clubs pop up on the market. "It may be that they'll settle for lightweight steel," he said. "But I'll settle for them buying anything. My inventory is heavy."

Another club in the upper, upper strata reflects the money situation. Its pro isn't crying but he has his hankie ready. "I'm not moving any golf clubs," he reveals. "I'm afraid people are taking the attitude that they're willing to get along on what equipment they have."

One the other hand, a club of the so-called middle economic structure reports an overwhelming run on equipment, soft goods and miscellaneous items.

"We've been in a good position to pick up a lot of members," its pro says in analyzing his sales. "One of the clubs in our vicinity came away from last year's audit with a demand for a large operat-

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Central

By Joe Doan

CHICAGO—Government economists who spent the first half of 1970 justifying the Nixon austerity program and probing for signs of imminent economic recovery, could have done worse than come to golf professionals and club managers, in the Chicago area at least. Neither the professionals nor the managers in that part of the country would have been effusive in describing business conditions at their clubs, but at the same time they wouldn't have uttered dark proclamations that things were going to hell en masse. Through the end of July just about everyone agreed that both the shops and the clubs were breaking even or possibly coming up slightly on the plus side—that is, in comparing the early part of 1970 with a like period in 1969. Almost all of these people agreed, too, that the second half of the current season was going to be better since business started to come on strong in July.

GOLFDOM interviewed the proprietors of 18 pro shops and at least 14 of them said that as of late July, 1970, sales were ahead of 1969. The percentage was not large in a majority of cases. And the same professionals who confessed to enjoying sales gains for the current season, wouldn't go so far as to say that their net profit was commensurate. The reason is that the truck strike, which lasted from early April until July 6th, resulted in professionals having to pay higher than normal costs to have merchandise shipped in. The professionals suffered, too, because a fairly substantial percentage of their sales was cancelled because merchandise couldn't be brought through the trucker blockade.

In the estimation of several pro-

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ing assessment. In the process it lost a lot of members. Many of them came over to us, and they're willing to spend what they consider their savings in the golf shop."

The same pro says he has his own way of beating the economic strain on his livelihood. "Our members are competitive," he says, "and this is my opening to keep sales humming. We have reached a point where 70 per cent of my sales come from tournament credits. In this way I keep my members happy and my cash register ringing. Otherwise, I'm afraid my sales would be dragging too."

Of all the public courses contacted, one—located in an area where industrial layoffs and labor strikes have poked their ugly heads into the picture—has all the makings of coming up empty at the end of the sales year.

Its pro is still hopeful for a rebound. "I'm not worried about the people playing the course," he reasons. "However, it's the ones not playing who are hurting my sales. Right now we are running 5,000 rounds behind last year. If it continues our play could be off 15 per cent."

The final yardstick for reviewing the revenue the golf professional hopes to realize this season comes down to the question of numbers—numbers in members.

Most haven't felt the pinch, except those middle-upper clubs whose hefty assessments have driven certain members to seek out less lofty facilities.

There is one notable example in this direction. It experienced a drastic cutdown when 60 members dropped out. Once again this occurred at the "stock broker type" of club. "They just up and left us," the club manager wails. "I can't explain it other than the fact that our membership is in deep trouble. And we are worrying."

The economic situation, then, is starting to gnaw away at the earning power of the golf professional. At this point the effect is drifting from minimal to conclusive stages. It certainly is not a healthy state, but neither are other avenues of income. □

Central CONTINUED

steel shafts. With the exception of two manufacturers, the industry never made it to market with stainless-shafted clubs. But when manufacturers put new emphasis on lightweight steel shafts, it was hoped that the lost Christmas business would be made up. It wasn't. Spring sales were no better than normal, at best. On top of this, the truck strike caused some cancelled sales. But the real reason why there wasn't at least a small boom in club sales is that many golfers chose to ride out the mild economic storm by staying with their old clubs. Now, the professionals are hoping that this year's Christmas business will get everything straightened out.

There is a lot of fluctuation in the minus and plus figures for sportswear submitted by the shop operators. A few professionals report that men's and women's sales are up by as much as 15 or 20 per cent, but just as many say that their softwear sales have dropped by an equally large percentage. All in all, women's volume for 1970 is no better than it was in 1969. Men's sales have increased by an average of about 3 per cent. Most professionals note that women seem to be inclined to retrench more than men.

Male sportswear business probably would have suffered quite a sharp slump in 1970 if it hadn't been for the introduction of the polyester or dacron knit slacks that sell at $35 or more a copy. The slacks have saved their season. Sales of these items alone have lifted sportswear sales of 80 per cent of the 18 professionals interviewed above last year's or at least enabled them to stay abreast of 1969 volume. Without the knits there is no doubt that the complaints of the shopmasters would have reverberated all the way back to the garment district.

John Marshall who is the professional at Medinah CC, which has one of the largest and best-stocked shop in the Midwest, if not the country, pronounces the knits "fantastic." But even with the boost they gave his early season sales, his men's volume was off 2 or 3 per cent at the end of July. So, it is easy to see why he is so lavish in endorsing them. At Olympia Fields, where there are more than 450 golfers, sales of the slacks had exceeded 300 pairs by midsummer.

Eleven of 16 professionals who keep figures on lesson business reported that it was up for 1970. Play at 10 of the reporting clubs was higher through July than it was in 1969. At four clubs it was about the same as last year; four clubs reported a decline.

Manufacturers' sales figures coincide with those of the professionals. Four of the large club and ball suppliers report that their Midwest volume is the same or slightly better than it was in 1969. Sportswear suppliers think they may be breaking even on sales in 1970, as compared to 1969. But everyone agrees that due to the truck strike, which was drawn out for 85 days in the Chicago area, profits for 1970 won't be as large as they were in 1969. The experience of one equipment company, described by its sales manager, generally sums up the situation. "From a sales standpoint we were having a very good year," he says. "Volume for the first half was up 5 per cent; we had the best May sales on record. But when the distribution costs were totaled, we found that what was being taken in with the right hand was doled out with the left. So, for the first six months of 1970 we were happy to show a small net profit." □

West CONTINUED

agricultural economy has taken lumps, reported "super" business —30 to 50 per cent ahead of 1969. However, he says other club professionals in the same area had indicated to him that their sales are down. Since moving up to head professional from assistant in April, he has added a "nicer line of ladies' dresses and a new men's shirt," which have given a boost to soft goods sales. He said weather has been ideal through the spring and early summer and added this observation: "The members here wanted me to have the professional job so badly, I think they 'saved up' their purchases and are buying heavier than normal now." Needless to say, he appreciates their support. □