

HOW THE ECONOMY IS TAKING ITS TOLL



3rd ANNUAL MARKETING & RESEARCH REPORT 1970

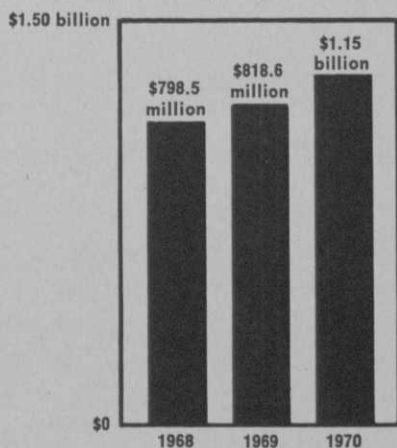
Golf has become "big business." And as a big business, the lives—and livelihoods—of vast numbers of people are affected by the economic peaks and valleys of the golf industry. For this reason, with the publication of its Third Annual Marketing and Research Issue, GOLFDOM is more convinced than ever of the need for reliable statistics to measure industry performance and to guide industry planning.

Where only 15 years ago decreases or increases in golf industry finances often totaled thousands of dollars, today the same percentages of change could mean millions. One case in point is presented graphically on this page. The 1970 increase in club operating expenditures has pushed the national total over the billion dollar point.

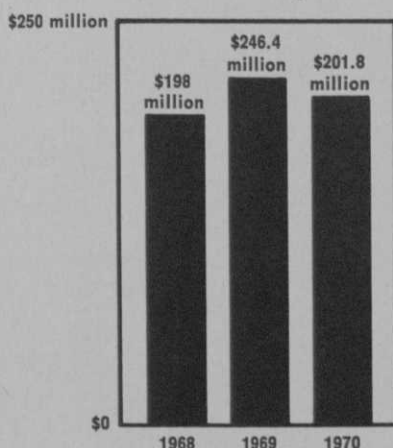
It also is significant that this figure was exceeded on the outgoing side of the financial account for golf facilities, because the year 1970 did not spare the golf industry the problems common to all big businesses—rising costs and consumers who were reluctant to spend. There was some belt tightening as seen in the graph on expenditures for turf materials. There were decreases in some income areas, such as pro shop sales. There were expenditures that defied cutbacks, as in the case of club operating expenditures.

But with all these, there is no evidence of a letup in the golf boom. Consider the growth rate of the nation's population as opposed to the growth in the number of golf courses. From 1955 to 1970 the number of golf facilities has increased 95 per cent, from 5,218 to 10,188, versus about 24 per cent growth in the population. This indicates that more courses are being built not to accommodate the natural increase in population but to handle the continuing growth in popularity of golf, which in turn means a burgeoning market.

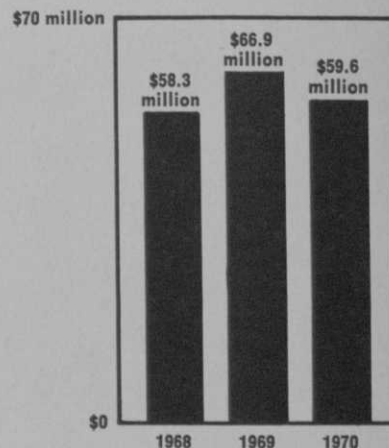
Managers' Operating Expenditures



Gross Pro Shop Sales

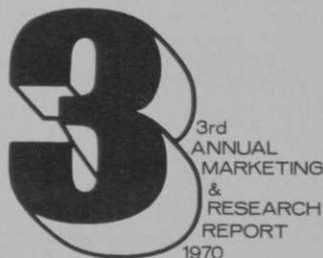


Expenditures by Superintendents for Turf Materials



SUPERINTENDENTS

*... cut back on expenditures for turf materials in 1970,
but could not curtail the rising costs of labor*



Golf course superintendents were forced to do some belt tightening in 1970 as a result of budget proposals that had been sharply pared by economy-minded committees. Declining 10.9 per cent, to \$59.6 million, total expenditures in 1970 for turf materials (chemicals, fertilizers and grass seed) rolled back close to 1968 levels. Major course improvements apparently were held off. These expenditures took an 11.3 per cent drop, to \$63.7 million, and from a look at 1971 budget estimates, superintendents are not counting on much more than that this year, according to GOLFDOM's Third Annual Marketing and Research Study. Expenditures for golf course labor (exclusive of superintendents' salaries) defied any sharp cutbacks, declining only 3.9 per cent, to \$226.2 million. In checking out this slight decrease, superintendents appear to have taken on less part-time help in 1970.

Among the product categories under turf materials, expenditures for fungicides took the sharpest drop—down \$6.3 million to \$12.8 million. However, fungicides still account for the second largest share of expenditures for turf materials. In fact, the top three remain fertilizers, fungicides and grass seed, respectively.

Examining the 1970 labor costs by course size, the survey indicated that superintendents at courses 18 holes or larger spent \$39,300 for an average of four full-time employees and six part-time employees. Superintendents at 9-hole courses spent \$8,600 for an average of two full-time employees and two part-time employees. Length of season, in addition to larger staffs, can account for the vast difference in labor expenditures between 9-hole and 18-hole or larger facilities. Some 58.2 per cent of the superintendents at 18-hole or larger facilities said their courses are

open year-round, as compared to 44.4 per cent of those at 9-hole courses.

A comparison of 1969 and 1970 superintendents' salaries revealed some progress in the higher ranges. In 1969, 27.4 per cent of the respondents indicated a salary of from \$10,001 to \$12,000 versus 21.8 per cent in 1970. The decline in this salary category was almost matched by the increase in the \$12,001 to \$15,000 category—from 12.4 per cent in 1969 to 16.5 per cent in 1970. This would indicate an upward move for some superintendents. There was little change in the upper categories, ranging between \$15,001 and \$20,000 plus. The small percentage of superintendents in these categories are generally at private and hotel/resort courses.

GOLFDOM's survey showed that golf course superintendents in the United States now supervise the usage of golf equipment that represents a total investment of \$567.1 million—\$32.2 million more than the 1969 tally. The top three product categories that make up the majority of this investment remain irrigation equipment, 50.6 per cent; mowers, 13.2 per cent and tractors, 11.8 per cent.

Facilities 18 holes or larger have invested more than five times as much as 9-hole courses in irrigation equipment. In addition to considering the difference in course size, the disparity in irrigation investment may also be accounted for by the far greater number of 18-hole facilities with automatic or semi-automatic irrigation systems. Some 50.3 per cent of the superintendents at 18-hole or larger facilities indicated that they had either automatic or semi-automatic systems versus 27.6 per cent of the superintendents at 9-hole courses. □

Superintendents' Tables and Graphs

Turf materials

Average expenditures	46
National expenditures	46
National grand totals 1968, 1969, 1970	47

Golf course improvements

Average and national expenditures	48
National grand totals	48

Golf course labor

Average and national totals	48
National grand totals	48

Equipment investment to date

Average	54
National grand totals 1969, 1970	50,51

Superintendents' salaries

Each course type	50, 51
All course types	50, 51

Irrigation systems

Course size and course type	54
Over-all response	54

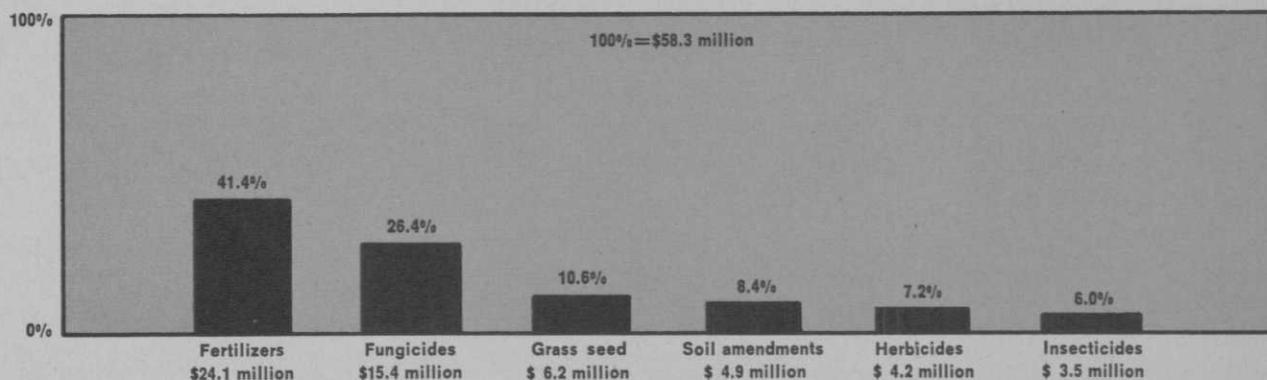
Average Expenditures for Turf Materials

Size of facility	Fertilizers	Fungicides	Grass seed	Soil amendments	Herbicides	Insecticides
9-hole						
1968	\$1,100	\$590	\$370	\$180	\$190	\$160
1969	\$1,300	\$580	\$340	\$240	\$250	\$120
1970	\$1,100	\$600	\$280	\$260	\$240	\$150
Budget 1971	\$1,300	\$540	\$330	\$320	\$320	\$180
18-hole or more						
1968	\$4,000	\$2,900	\$1,000	\$890	\$680	\$640
1969	\$4,900	\$3,700	\$1,000	\$900	\$830	\$470
1970	\$4,200	\$2,100	\$1,300	\$880	\$950	\$550
Budget 1971	\$4,800	\$1,800	\$1,200	\$880	\$1,200	\$570
Non-regulation						
1968	\$1,600	\$480	\$150	\$270	\$410	\$90
1969	\$1,700	\$590	\$140	\$360	\$390	\$80
1970	\$1,200	\$430	\$260	\$360	\$210	\$250
Budget 1971	\$1,800	\$470	\$300	\$680	\$380	\$320

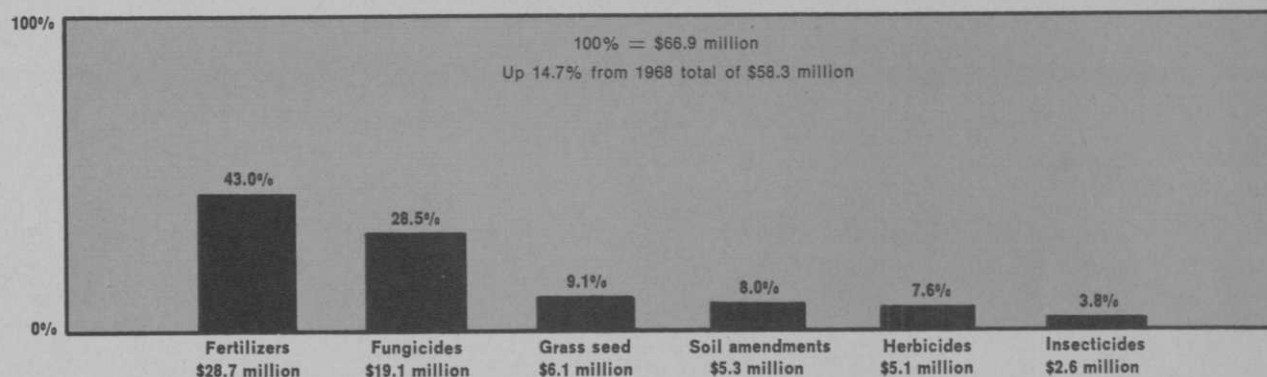
National Expenditures for Turf Materials

Size of facility	Fertilizers	Fungicides	Grass seed	Soil amendments	Herbicides	Insecticides
9-hole						
1968	\$5.3 million	\$2.7 million	\$1.7 million	\$840,000	\$899,000	\$732,000
1969	\$6.1 million	\$2.7 million	\$1.6 million	\$1.1 million	\$1.2 million	\$547,000
1970	\$5.2 million	\$2.8 million	\$1.3 million	\$1.2 million	\$1.1 million	\$709,200
Budget 1971	\$6.2 million	\$2.5 million	\$1.5 million	\$1.5 million	\$1.5 million	\$838,900
18-hole or more						
1968	\$17.2 million	\$12.2 million	\$4.3 million	\$3.8 million	\$2.9 million	\$2.7 million
1969	\$20.8 million	\$15.8 million	\$4.4 million	\$3.8 million	\$3.5 million	\$2 million
1970	\$18.6 million	\$9.5 million	\$5.8 million	\$3.9 million	\$4.2 million	\$2.5 million
Budget 1971	\$21.2 million	\$8 million	\$5.2 million	\$3.9 million	\$5.2 million	\$2.5 million
Non-regulation						
1968	\$1.6 million	\$482,000	\$149,000	\$272,000	\$415,000	\$ 92,000
1969	\$1.7 million	\$588,000	\$142,000	\$363,000	\$388,000	\$ 84,000
1970	\$1.3 million	\$466,300	\$280,000	\$383,000	\$220,800	\$263,900
Budget 1971	\$1.9 million	\$501,900	\$323,100	\$727,000	\$412,500	\$341,400

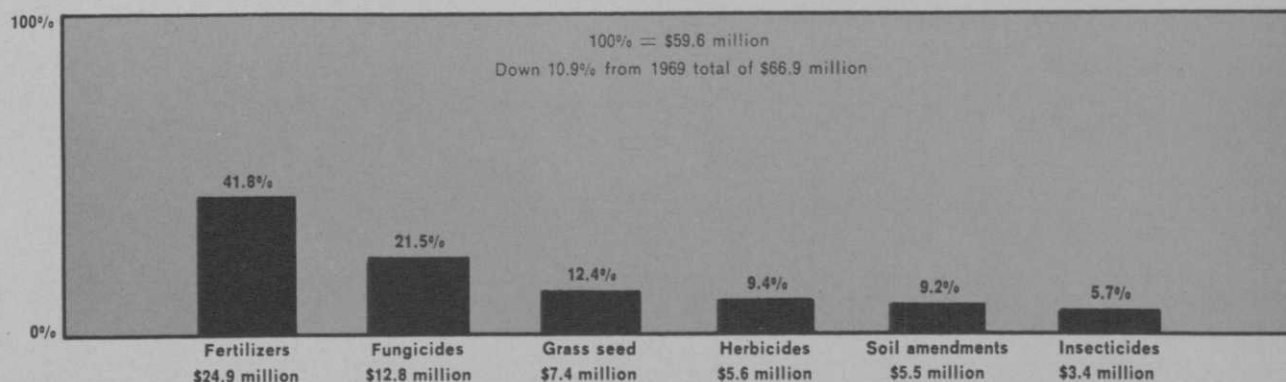
Expenditures for Turf Materials 1968 National Grand Totals



Expenditures for Turf Materials 1969 National Grand Totals



Expenditures for Turf Materials 1970 National Grand Totals



Notes: 1970 national grand totals in this golf course superintendent study are based on the total number of golf facilities in the United States, regulation and non-regulation courses combined. Because the amount of materials and equipment needed by a superintendent is primarily influenced by the size of the course which he and his staff maintain, figures in this study are

broken down by the common size categories: 9 holes, 18 holes or more and non-regulation (par-three, executive, etc.) However, in two cases—superintendents' salaries and types of irrigation systems where type of course has primary bearing—figures are given by course classification.

Figures in the millions have been rounded to the nearest hundred thou-

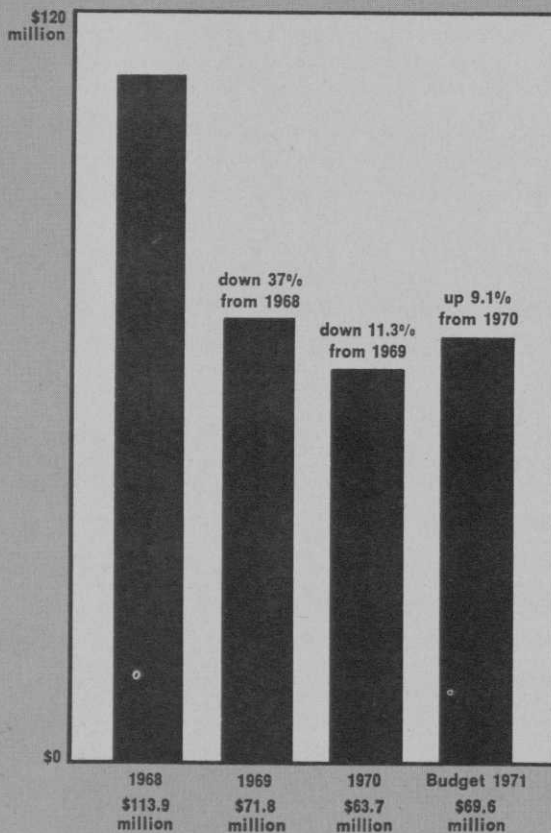
sand dollars; figures in the thousands have been rounded to the nearest hundred dollars, and figures in the hundreds have been rounded to the nearest ten dollars. Therefore, rounded national totals, when added, may not precisely agree with the national grand totals because these are the sums of unrounded figures.

(Continued)

**Expenditures for Golf Course Improvements
National Grand Totals**

Expenditures for Golf Course Improvements

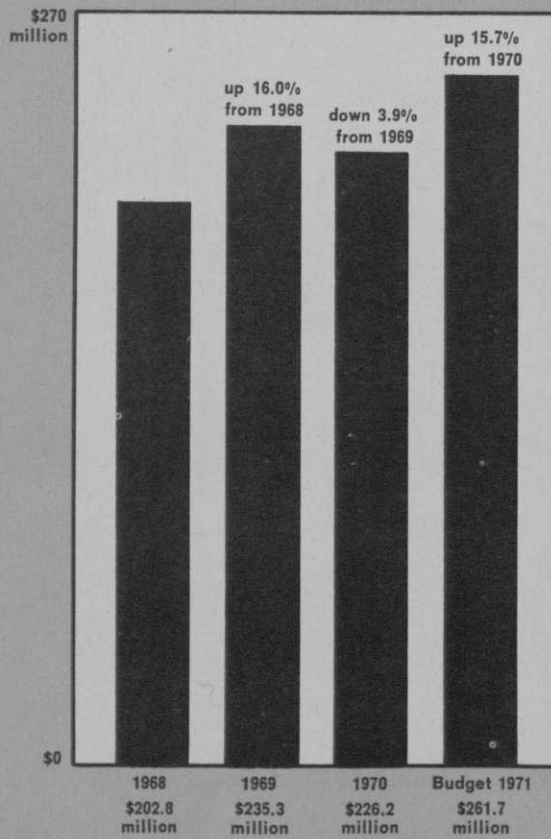
Course size	Average per facility	National totals
9-hole		
1968	\$ 3,200	\$15 million
1969	\$ 3,400	\$15.8 million
1970	\$ 3,900	\$18.3 million
Budget 1971	\$ 3,200	\$14.6 million
18-hole or more		
1968	\$22,800	\$97 million
1969	\$12,600	\$53.8 million
1970	\$ 9,500	\$42.3 million
Budget 1971	\$11,700	\$52.2 million
Non-regulation		
1968	\$ 1,900	\$2 million
1969	\$ 2,200	\$2.2 million
1970	\$ 2,900	\$3.1 million
Budget 1971	\$ 2,500	\$2.7 million



**Expenditures for Golf Course Labor*
National Grand Totals**

Expenditures for Golf Course Labor*

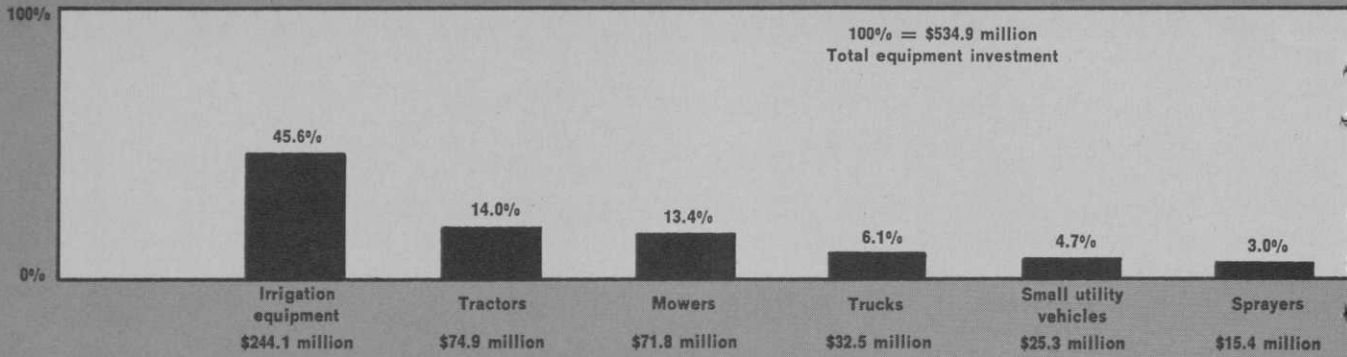
Course size	Average per facility	National totals
9-hole		
1968	\$ 8,500	\$39.2 million
1969	\$10,900	\$50.4 million
1970	\$ 8,600	\$40 million
Budget 1971	\$ 9,700	\$44.8 million
18-hole or more		
1968	\$35,000	\$149 million
1969	\$39,600	\$168.5 million
1970	\$39,300	\$174.6 million
Budget 1971	\$44,700	\$199 million
Non-regulation		
1968	\$14,500	\$14.5 million
1969	\$16,300	\$16.4 million
1970	\$10,800	\$11.6 million
Budget 1971	\$16,700	\$17.9 million



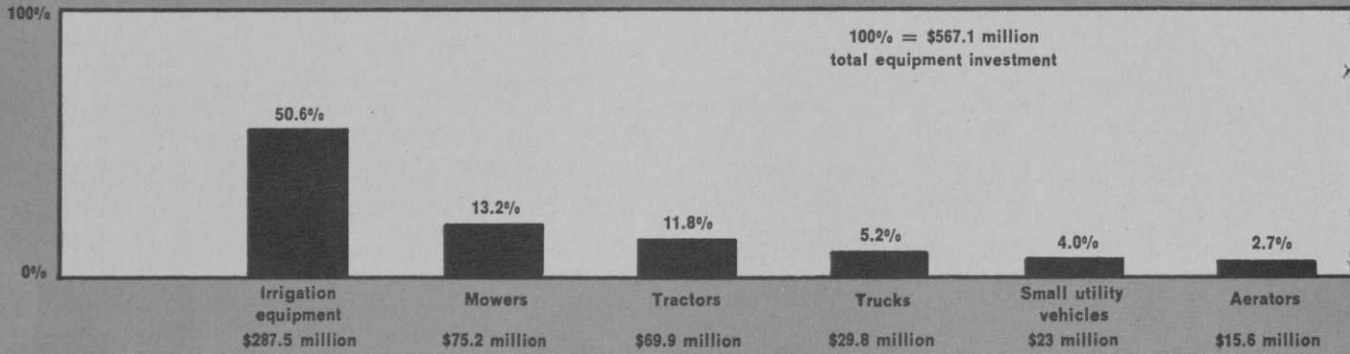
*Exclusive of superintendents' salaries

* Exclusive of superintendents' salaries

Equipment Investment to Year End 1969 National Grand Totals



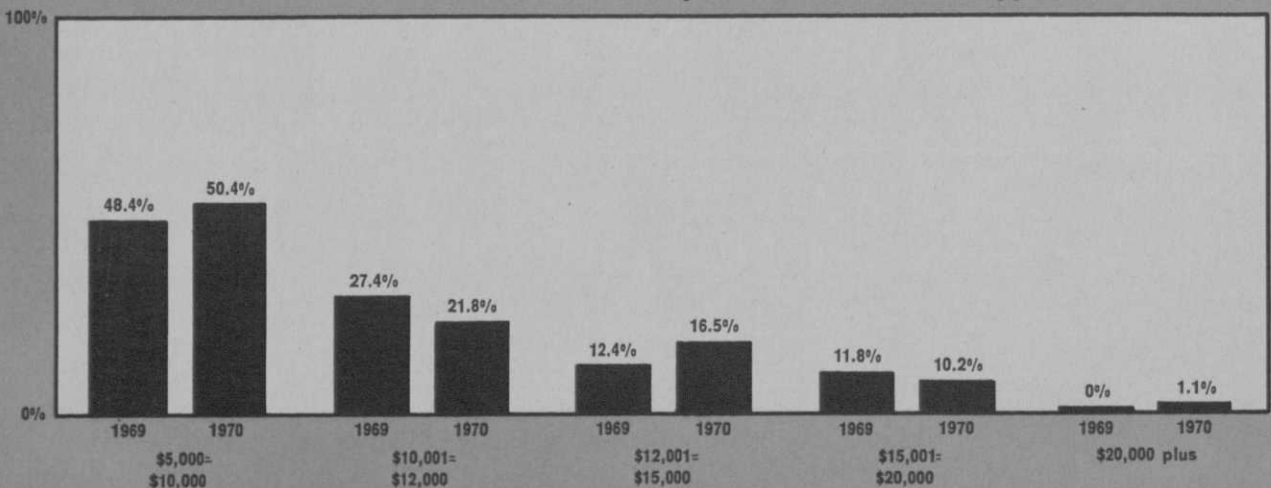
Equipment Investment to Year End 1970 National Grand Totals

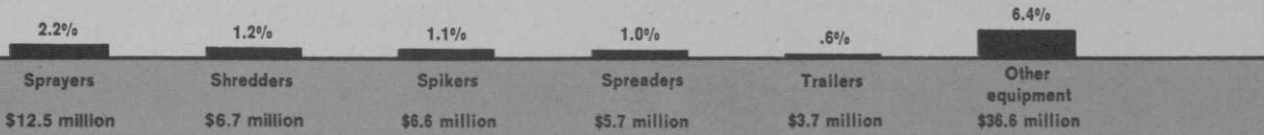
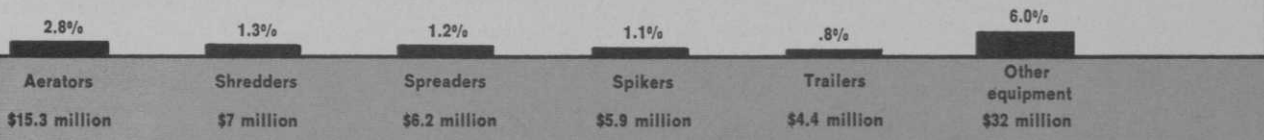


Annual Superintendents' Salaries (Per cent of responses in each course type)

Salary ranges	Private		Semi-private		Hotel/Resort	
	1969	1970	1969	1970	1969	1970
\$5,000-\$7,500	35.2%	20.5%	78.6%	26.4%	50.0%	9.1%
\$7,501-\$10,000		23.2%				
\$10,001-\$12,000	29.6%	18.5%	14.3%	26.4%	33.4%	36.3%
\$12,001-\$15,000	17.0%	21.2%	7.1%	8.3%	8.3%	18.2%
\$15,001-\$17,500	18.2%	13.3%	0%	0%	8.3%	27.3%
\$17,501-\$20,000		2.0%				1.4%
\$20,000 plus	0%	1.3%	0%	1.4%	0%	0%

Superintendents' Salaries (Per Cent of Response, All Course Types Combined)

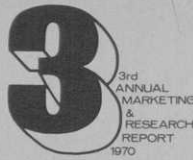




Public		Non-regulation	
1969	1970	1969	1970
68.4%	50.0% 11.5% } 61.5%	33.3%	50.0% 33.3% } 83.3%
21.0%	23.1%	66.7%	16.7%
5.3%	15.4%	0%	0%
5.3%	0% 0% } 0%	0%	0% 0% } 0%
0%	0%	0%	0%



(Continued on page 54)



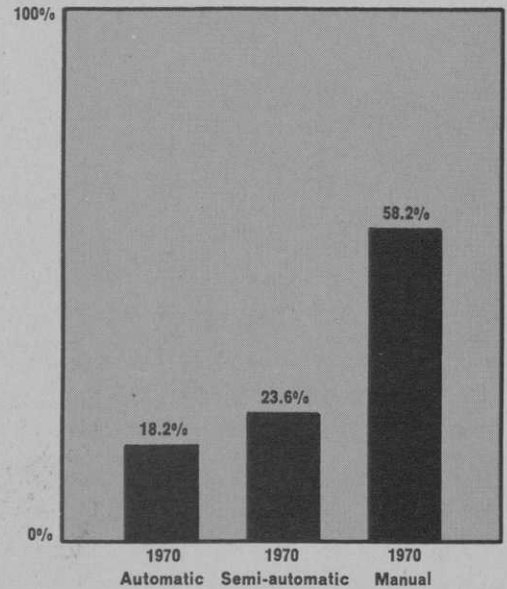
Types of Irrigation Systems Presently Installed

Response by course size			
Course size	Automatic	Semi-automatic	Manual
9-hole	11.4%	16.2%	72.4%
18-hole or more	23.1%	27.2%	49.7%
Non-regulation	—*	50.0%	50.0%

Response by course type			
Course	Automatic	Semi-automatic	Manual
Private	17.2%	20.4%	62.4%
Semi-private	15.4%	26.9%	57.7%
Hotel/Resort	41.7%	33.3%	25.0%
Public	25.9%	22.2%	51.9%

*No response in this category

Over-all Response

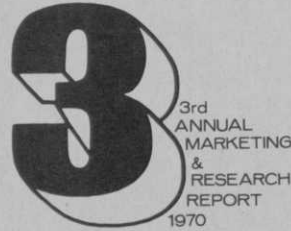


Average Investment to Date for Equipment

	9-hole		18-hole or more		Non-regulation	
	1969	1970	1969	1970	1969	1970
Irrigation equipment	\$9,400	\$9,300	\$45,700	\$52,100	\$6,000	\$11,800
Tractors	\$4,300	\$4,200	\$11,200	\$10,400	\$7,400	\$ 3,800
Mowers	\$4,500	\$4,300	\$10,900	\$11,800	\$4,500	\$ 2,600
Trucks	\$2,200	\$1,700	\$ 4,500	\$ 4,600	\$3,000	\$ 1,200
Small utility vehicles	\$1,200	\$1,300	\$ 4,300	\$ 3,500	\$1,200	\$ 1,000
Sprayers	\$ 940	\$ 820	\$ 2,400	\$ 1,800	\$ 780	\$ 590
Aerators	\$ 900	\$ 890	\$ 2,400	\$ 2,200	\$ 580	\$ 1,400
Shredders	\$ 420	\$ 400	\$ 960	\$ 990	\$1,000	\$ 400
Spreaders	\$ 440	\$ 390	\$ 870	\$ 800	\$ 470	\$ 330
Spikers	\$ 500	\$ 530	\$ 700	\$ 850	\$ 590	\$ 350
Trailers	\$ 220	\$ 250	\$ 720	\$ 530	\$ 290	\$ 150
Other equipment	\$1,500	\$2,500	\$ 5,800	\$ 5,500	\$ 500	\$ 500

CLUB MANAGERS

... are struggling to meet ever increasing operating expenditures and property taxes



Club managers were unable to match the percentage rise in 1970 operating expenditures with increased food and beverage sales and higher green fees income. GOLFDOM's Third Annual Research and Marketing Study found that total operating expenditures in 1970 (exclusive of payroll and pro shop operations) leaped 40.1 per cent over the 1969 total to \$1.15 billion, and managers estimate another 13 percent increase this year.

On the income side of the financial account, gross receipts from liquor sales at private and semi-private clubs moved up only 1.2 per cent and food sales did only slightly better with an 8.8 per cent increase. At least managers had the weather on their side in 1970, and revenue from green fees climbed 23.1 per cent to \$374.6 million.

The difference in the lengths of seasons at private and semi-private clubs showed up in liquor and food sales. Private clubs reported average liquor sales of \$72,500 and average food sales of \$138,700. Semi-private clubs trailed far behind with averages on liquor and food sales of \$27,500 and \$42,700, respectively. However, some 75 per cent of the private club managers indicated that their clubhouse facilities are open year-round. Only 30 per cent of the semi-private club managers reported a year-round season.

The economic climate in 1970 also appeared to hold

back some clubhouse improvement programs. Average expenditures for such improvements fell 7 per cent from the 1969 figure to \$20,000. Managers estimated an increase in 1971 to an average of \$25,200. However, this still is some distance from the 1968 level of \$28,300.

Property taxes are growing thorns in the financial picture. Private, semi-private and hotel/resort facilities combined were paying out \$120.6 million in property taxes in 1970—a staggering 61 per cent increase over the 1965 total.

Looking at the manager's personal financial status, 72.1 per cent of the respondents reported salaries in ranges above \$10,000. The greatest part of this group were in the three brackets, \$10,000 to \$12,500, \$12,501 to \$15,000 and \$15,001 to \$20,000. The percentages drop off sharply in the two highest brackets, \$20,000 to \$25,000 and \$25,000 plus.

For these salaries, managers supervise the usage and maintenance of clubhouse equipment and appointments that represent a total investment of almost \$733 million. Broken down this sum includes \$301.4 million worth of furniture, \$269.2 million in kitchen equipment and \$162.3 million in carpeting, drapes and other clubhouse appointments. □

Manager's Tables and Graphs

Liquor gross receipts	National grand totals59
Average and national totals57	Operating expenditures
National grand totals57	Average and national totals60
Liquor purchase budgets	National grand totals60
Average and national totals57	Taxes on club property
National grand totals57	Average60
Food gross receipts	National grand totals60
Average and national totals58	Expenditures for clubhouse improvements
National grand totals58	Average61
Food purchase budgets	National grand totals61
Average and national totals58	Evaluation of equipment and appointments
National grand totals58	Average, national totals, national grand totals61
Revenue from green fees	Managers' salaries (each course type)62
Average and national totals59	Managers' salaries (all course types)62

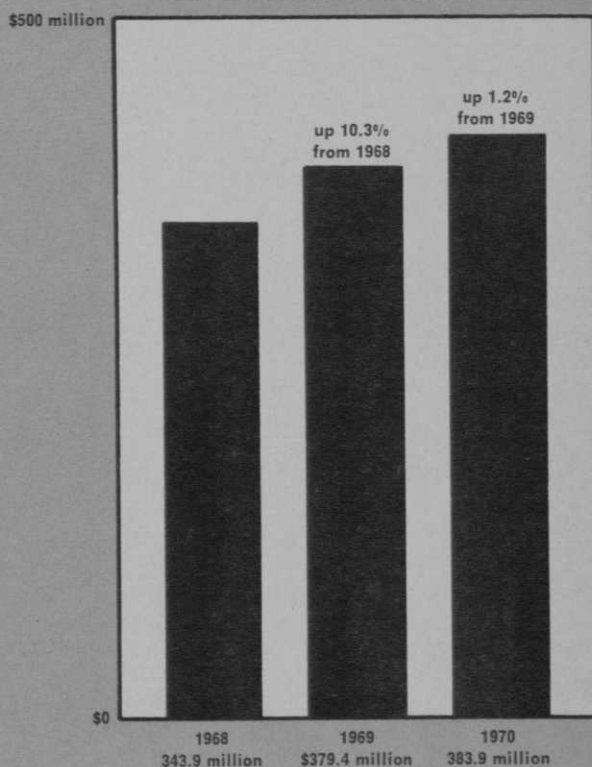
**Gross Receipts from Liquor* Sales
(Private and Semi-private Facilities)****

Course type	Average per facility	National totals
Private		
1968	\$74,000	\$276.6 million
1969	\$79,100	\$295.8 million
1970	\$72,500	\$286.7 million
Semi-private		
1968	\$18,800	\$ 67.3 million
1969	\$23,400	\$ 83.6 million
1970	\$27,500	\$ 97.2 million

*Includes hard liquor, wines and beer.

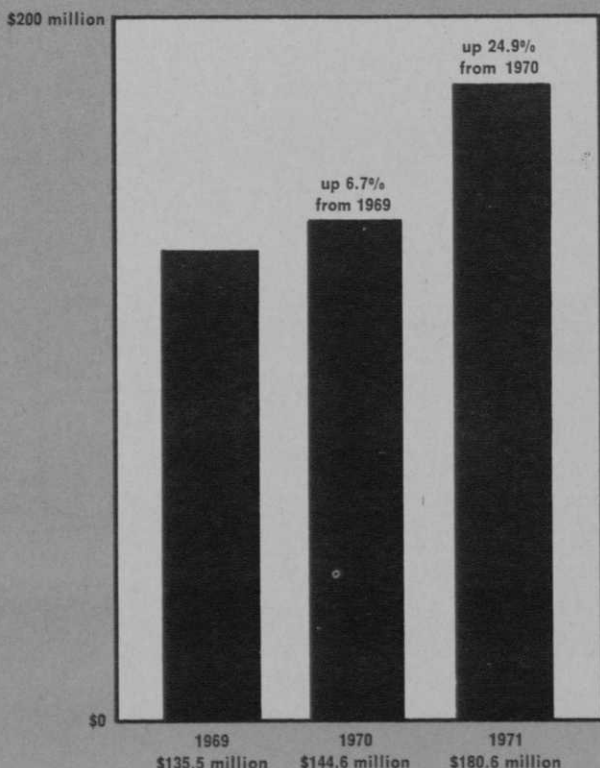
**Hotel/Resort and public facilities have been excluded from this portion of the study because the disparity among their food and liquor facilities makes averages and national totals unreliable.

**Gross Receipts from Liquor* Sales
(Private and Semi-private Facilities)
National Grand Totals**



*Includes hard liquor, wines and beer.

**Liquor* Purchase Budgets
(Private and Semi-private Facilities)
National Grand Totals**



*Includes hard liquor, wines and beer.

**Liquor* Purchase Budgets
(Private and Semi-private Facilities)****

Course type	Average per facility	National totals
Private		
Budget 1969	\$27,400	\$102.5 million
Budget 1970	\$29,400	\$110 million
Budget 1971	\$29,700	\$117.2 million
Semi-private		
Budget 1969	\$ 9,300	\$33 million
Budget 1970	\$ 9,700	\$34.6 million
Budget 1971	\$18,000	\$63.4 million

*Includes hard liquor, wines and beer.

**Hotel/Resort and public facilities have been excluded from this portion of the study because the disparity among their food and liquor facilities makes averages and national totals unreliable.

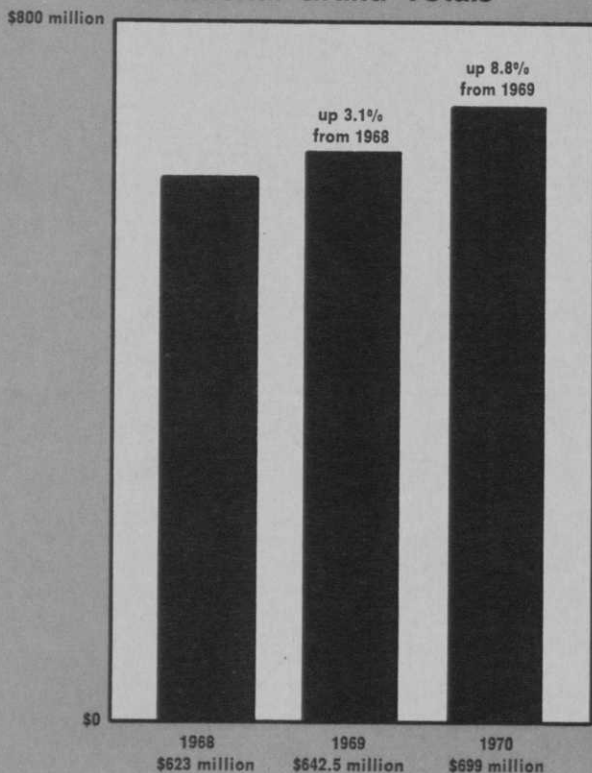
(Continued)

**Gross Receipts from Food Sales
(Private and Semi-private Facilities)***

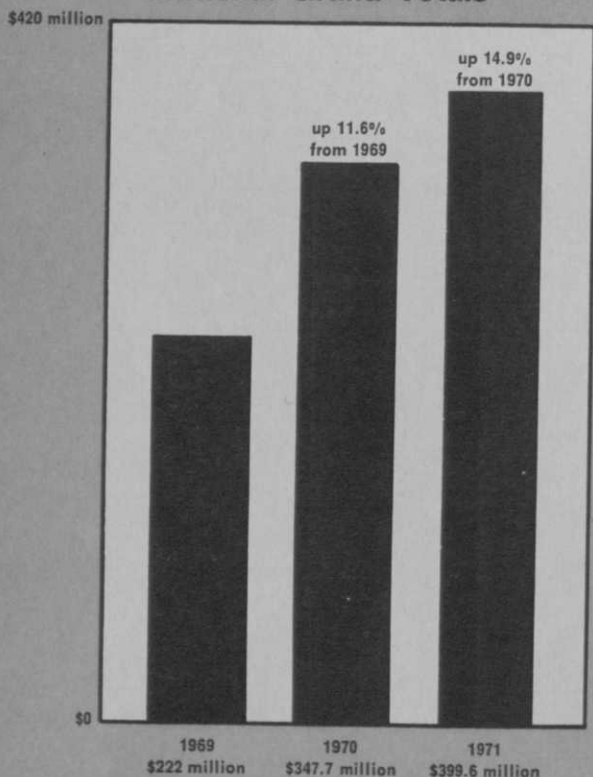
Course type	Average per facility	National totals
Private		
1968	\$136,000	\$508.3 million
1969	\$139,100	\$519.8 million
1970	\$138,700	\$548.1 million
Semi-private		
1968	\$ 32,000	\$114.7 million
1969	\$ 34,300	\$122.7 million
1970	\$ 42,700	\$150.9 million

* Hotel/Resort and public facilities have been excluded from this portion of the study because the disparity among their food and liquor facilities makes averages and national totals unreliable.

**Gross Receipts from Food Sales
(Private and Semi-private Facilities)
National Grand Totals**



**Food Purchase Budgets
(Private and Semi-private Facilities)*
National Grand Totals**



*Hotel/Resort and public facilities have been excluded from this portion of the study because the disparity among their food and liquor facilities makes averages and national totals unreliable.

**Food Purchase Budgets
(Private and Semi-private Facilities)***

Course type	Average per facility	National totals
Private		
Budget 1969	\$51,700	\$193.2 million
Budget 1970	\$78,000	\$291.4 million
Budget 1971	\$83,800	\$331.2 million
Semi-private		
Budget 1969	\$ 8,000	\$ 28.8 million
Budget 1970	\$15,700	\$ 56.3 million
Budget 1971	\$19,400	\$ 68.4 million

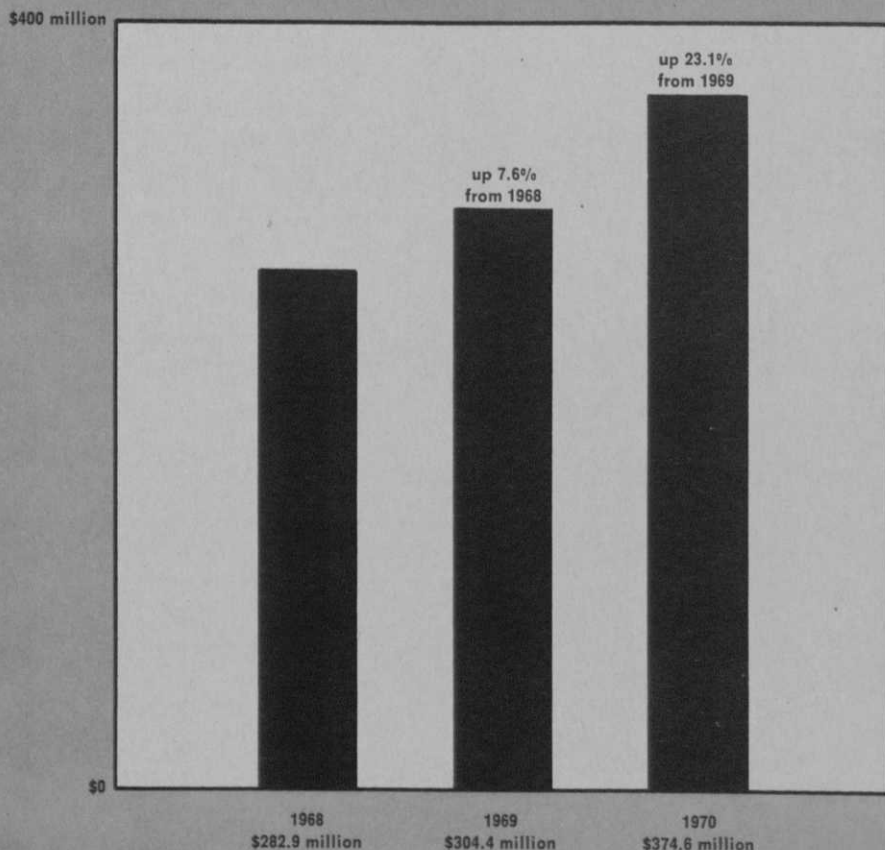
* Hotel/Resort and public facilities have been excluded from this portion of the study because the disparity among their food and liquor facilities makes averages and national totals unreliable.

Revenue from Green Fees

Course type	Average per facility	National totals
Private*		
1968	\$14,400	\$54 million
1969	\$15,000	\$56.1 million
1970	\$14,200	\$56.3 million
Semi-private		
1968	\$38,900	\$139.4 million
1969	\$42,600	\$152.5 million
1970	\$61,200	\$216.2 million
Hotel/Resort		
1968	\$37,500	\$15 million
1969	\$39,500	\$15.8 million
1970	\$69,900	\$28 million
Public		
1968	\$63,600	\$74.5 million
1969	\$68,300	\$80 million
1970	\$61,900	\$74.2 million

*The figures noted for private courses would generally constitute guest fees.

Revenue from Green Fees National Grand Totals

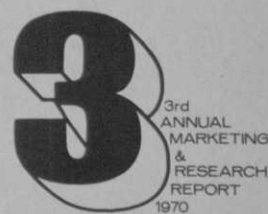


Notes: This club manager study does not include non-regulation courses (par-three, executive, etc.) because the number of such courses with complete dining and clubhouse facilities are few. Therefore, when the terms United States golf facilities and nation's golf facilities are used, it should be understood that we are referring to regulation golf facilities only.

The term golf facility refers to an entire golf establishment. Therefore, a club with two or more courses is considered to be one golf facility, because the courses are under the same management and share the same clubhouse, pro shop and other club facilities. Figures reflect this definition.

Figures in many cases have been broken down by the following course types: private, semi-private, hotel/resort and public. For purposes of the survey, GOLFDOM has defined semi-private as a private, daily fee facility; hotel/resort as a facility owned and operated by a hotel or resort, and public as a municipal course or any other facility that does not represent private interests.

Figures in the millions have been rounded to the nearest hundred thousand dollars; figures in the thousands have been rounded to the nearest hundred dollars, and figures in the hundreds have been rounded to the nearest ten dollars. Therefore rounded national totals, when added, may not precisely agree with the national grand totals, because these are the sums of the unrounded figures.



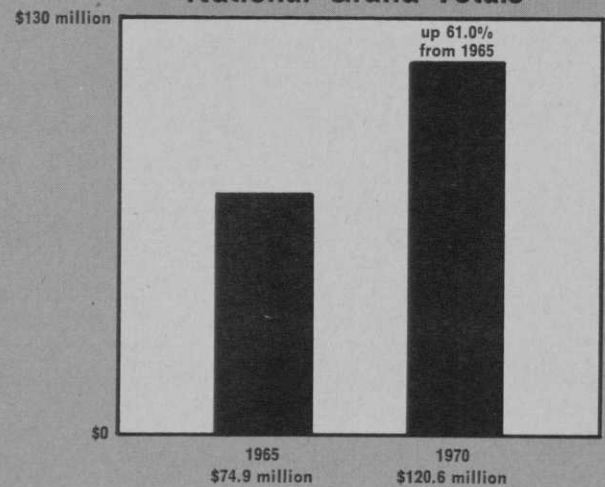
(Continued)

Operating Expenditures*

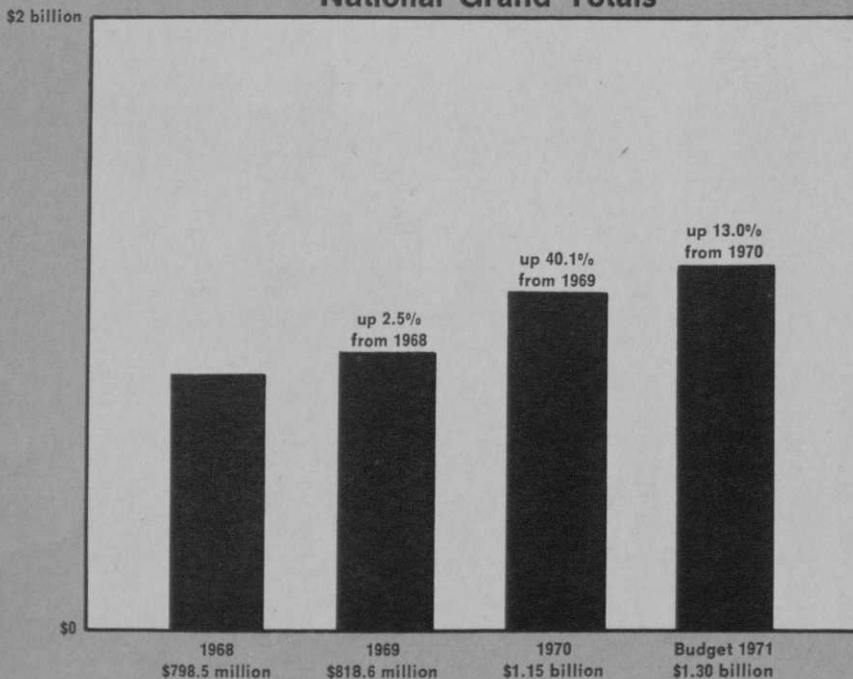
Course type	Average per facility	National totals
Private		
1968	\$161,700	\$604.4 million
1969	\$152,500	\$570.1 million
1970	\$217,400	\$859.2 million
Budget 1971	\$253,700	\$1 billion
Semi-private		
1968	\$ 42,400	\$152 million
1969	\$ 56,300	\$201.6 million
1970	\$ 66,600	\$235.1 million
Budget 1971	\$ 73,600	\$259.9 million
Hotel/Resort		
1968	\$ 11,600	\$4.6 million
1969	\$ 13,900	\$5.6 million
1970	\$ 13,900	\$5.6 million
Budget 1971	\$ 42,300	\$16.9 million
Public		
1968	\$ 32,000	\$37.5 million
1969	\$ 35,300	\$41.3 million
1970	\$ 44,000	\$52.8 million
Budget 1971	\$ 16,200	\$19.4 million

*Excludes payroll and pro shop operations.

Actual Taxes Paid on Club Property National Grand Totals



Operating Expenditures* National Grand Totals

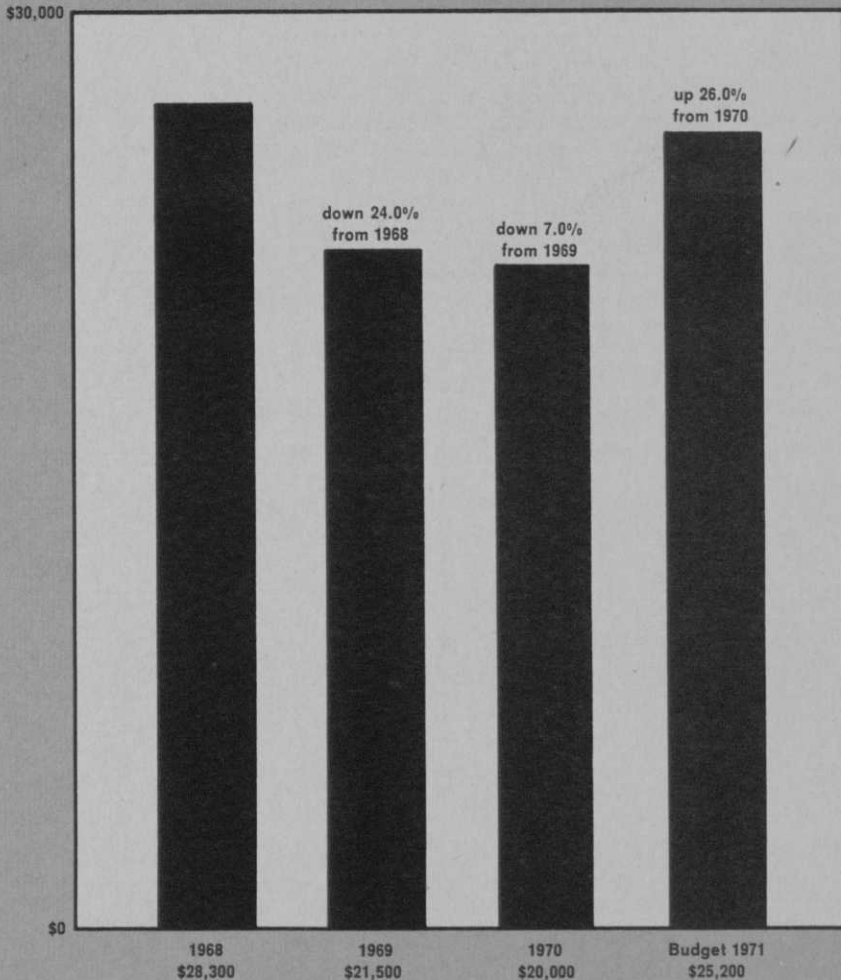


*Excludes payroll and pro shop operations.

Average Actual Taxes Paid on Club Property

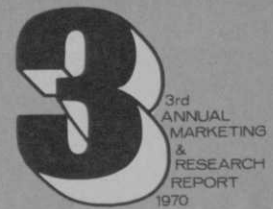
Course type	Actual taxes paid 5 years ago	Current taxes
Private	\$13,900	\$23,200
Semi-private	\$ 3,800	\$ 5,700
Resort	\$16,200	\$21,800

Expenditures for Clubhouse Improvements Average per Facility*



National Grand Totals:

1968	\$251.8 million
1969	\$191.5 million
1970	\$181.9 million
Budget 1971	\$228.7 million



*Averages encompass all four types of regulation facilities—private, semi-private, hotel/resort and public.

Evaluation of Clubhouse Equipment and Appointments (Actual Current Replacement Values)

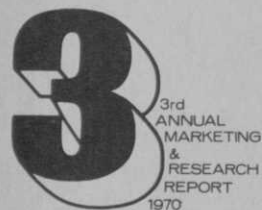
Course type	Kitchen Equipment		Furniture		Carpet, drapes, other appointments	
	Average per facility	National totals	Average per facility	National totals	Average per facility	National totals
Private	\$52,400	\$207.2 million	\$64,400	\$254.6 million	\$33,300	\$131.7 million
Semi-private	\$12,600	\$ 44.3 million	\$ 9,200	\$ 32.5 million	\$ 6,700	\$ 23.8 million
Hotel/Resort	\$21,700	\$ 8.7 million	\$26,100	\$ 10.4 million	\$10,400	\$ 4.1 million
Public	\$ 7,500	\$ 9 million	\$ 3,200	\$ 3.9 million	\$ 2,300	\$ 2.7 million
National grand totals		\$269.2 million		\$301.4 million		\$162.3 million

(Continued)

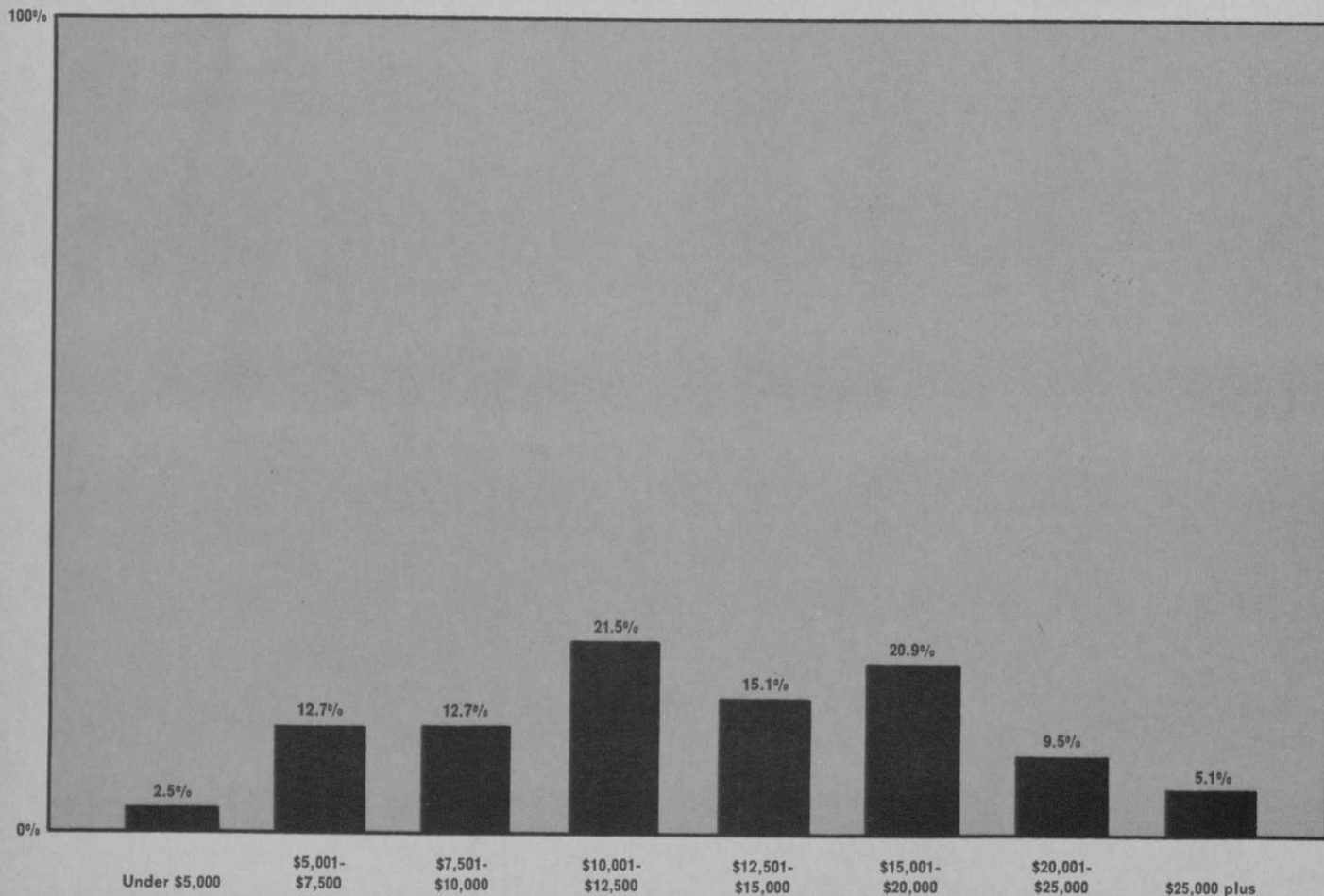
**Annual Managers' Salaries in 1970
(Per Cent of Responses in each Course Type)**

Salary ranges	Private	Semi-private	Hotel/Resort	Public
Under \$5,000	2.1%	2.1%	—*	16.7%
\$5,001-\$7,500	11.6%	12.8%	10.0%	33.3%
\$7,501-\$10,000	7.4%	21.3%	20.0%	16.7%
\$10,001-\$12,500	16.8%	31.9%	10.0%	33.3%
\$12,501-\$15,000	17.9%	14.9%	—*	—*
\$15,001-\$20,000	27.4%	10.6%	20.0%	—*
\$20,001-\$25,000	10.5%	6.4%	20.0%	—*
\$25,000 plus	6.3%	—*	20.0%	—*

*No response in these categories.



**Managers' Salaries
(Per Cent of Response,
All Course Types Combined)**



PROFESSIONALS

... were unable to overcome the general economic slump in 1970 and recorded a drop in sales in nearly all merchandise categories

3rd ANNUAL MARKETING & RESEARCH REPORT 1970

Pro shop sales unfortunately ran true to form with other economic indicators in 1970. With only a single exception, total pro shop sales in each product category fell below 1969 tallies. GOLFDOM's Third Annual Marketing and Research Study showed that total gross sales at the nation's estimated 8,000 pro shops dropped 18.1 per cent, from \$246.4 million in 1969 to \$201.8 million in 1970.

A look at the national grand total for sales in each product category reveals declines ranging from a sparse .2 per cent to a hefty 67 per cent. Among the categories that took the biggest dips were novelties and gadgets, men's apparel, golf shoes, golf bags and headcovers. Only golf gloves defied the trend and realized an over-all increase in sales. Irons fared the best in the major equipment categories, dropping only 7 per cent to \$33.2 million. Combining sales of all golf club categories (irons, woods, putters and utility clubs), the study revealed a 13.2 per cent drop to \$62.7 million in 1970.

Comparing 1969 and 1970 dollar volumes in terms of each product category's contribution to total pro shop sales, rankings in general remained the same. This finding bears out earlier informal reports from golf professionals who complained of a reluctance to buy across the merchandise board. In a similar comparison last year of 1968 and 1969, there had been significant re-shuffling among the leading dollar volume categories due to golfers' holding back on major purchases of new equipment in the summer of 1969. But 1970's figures show that golfers were squeamish about all purchases—large or small. The top

categories remained, respectively, golf balls, irons, men's apparel, women's apparel, woods and golf shoes.

Delving into golf club sales more specifically, golf professionals were asked to break down sales by types of shafts. The results showed that the industry's active promotion of lightweight steel in 1970 did pay off. Lightweight steel led in the materials mix, and aluminum, conventional steel and stainless steel followed in respective order. Of course, availability from only two manufacturers would have a considerable influence on the market in the case of stainless steel shafts.

Golf professionals could not even take heart from business in golf lessons. Good weather apparently was unable to overcome the economic climate in 1970, and total income from golf lessons dropped 12.7 per cent from 1969.

For the first time, GOLFDOM asked professionals to estimate their net incomes, deducting all costs, payroll items and other operational expenditures. In a breakdown by course type, professionals at public facilities fared poorly; the overwhelming majority reported incomes below GOLFDOM's midpoint category of \$12,501. More professionals at private clubs reported incomes above this midpoint than those in any other course type. Combining responses from professionals at all course types, the percentages of respondents for the six income ranges between "under \$5,000" and "\$15,001-\$20,000" came up relatively close to each other. However, a sharp drop appears for the two highest ranges—" \$20,001-\$25,000" and "\$25,000 plus." □

Professionals' Tables and Graphs

Professionals net income (each course type)	65	Over-all response	69
Professionals net income (all course types)	65	Income from tournament play	69
Gross pro shop sales		Average amount won from tournament play	69
Averages and national totals	66,67	Income from club cleaning and storage	
National grand totals 1968, 1969, 1970	68,69	Average and national totals	69
Income from golf lessons		National grand totals	69
Average and national totals	68	Income from driving ranges	
National grand totals	68	Average and national totals	69
Golf club sales by shaft types	69	National grand totals	69

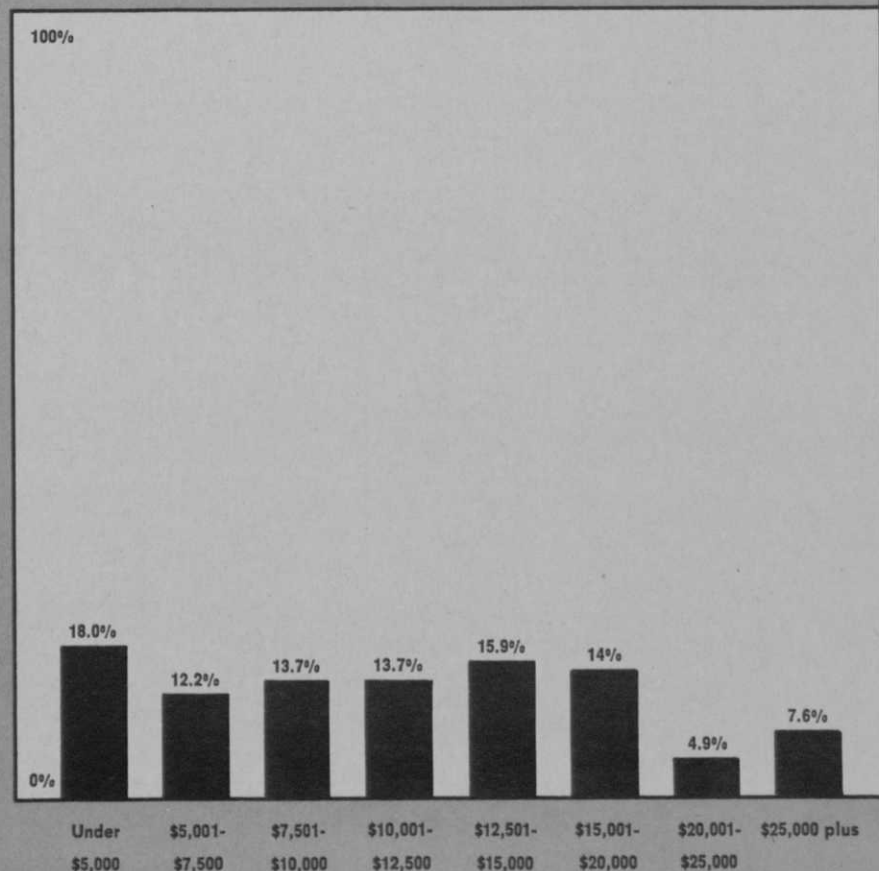
Estimate of Net Pro Income for 1970*
(Per Cent of Responses in Each Course Type)

Salary ranges	Private	Semi-private	Hotel/Resort	Public
Under \$5,000	13.3%	21.7%	26.1%	33.3%
\$5,001-\$7,500	11.6%	10.8%	13.0%	33.3%
\$7,501-\$10,000	12.7%	17.5%	4.3%	8.4%
\$10,001-\$12,500	11.6%	15.8%	21.7%	8.4%
\$12,501-\$15,000	19.1%	12.5%	17.5%	—**
\$15,001-\$20,000	17.9%	10.0%	4.3%	16.6%
\$20,001-\$25,000	5.8%	4.2%	4.3%	—**
\$25,000 plus	8.0%	7.5%	8.8%	—**

*After cost, payroll and other operation expenses.

**No response in these categories.

Pro Net Income for 1970
(Per Cent of Response, All Course Types Combined)



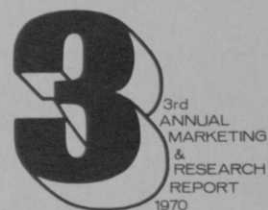
Notes: This golf professional study does not include non-regulation facilities (par-three, executive, etc.) because the number of such facilities with complete pro shop operations, handling all categories of merchandise and carrying out all functions covered here, are few. Therefore, when the article refers to pro shops at United States golf facilities or the nation's golf facilities, it should be understood that we mean pro shops at regulation golf facilities only.

The term golf facility refers to an entire golf establishment. Therefore, a club with two or more courses is considered to be one golf facility, because the courses are under the same management and share the same pro shop, clubhouse and other club facilities.

Not all regulation golf facilities have pro shops. Based on its own figures and those of the major golf equipment manufacturers, GOLFDOM estimates that there are a total of 8,000 pro shops at regulation golf facilities. This figure, for purposes of giving national totals, has been broken down by type of course as follows: private club pro shops; semi-private club pro shops; hotel/resort course pro shops, and public course pro shops.

For purposes of the survey, GOLFDOM has defined semi-private as a private, daily fee facility; hotel/resort as a facility owned and operated by a hotel or resort, and public as a municipal course or any other facility that does not represent private interests.

Figures in the millions have been rounded to the nearest hundred thousand dollars; figures in the thousands have been rounded to the nearest hundred dollars, and figures in the hundreds have been rounded to the nearest ten dollars. Therefore, rounded national totals, when added, may not precisely agree with the national grand totals, because these are the sums of the unrounded figures.



(Continued)

Gross Pro Shop Sales

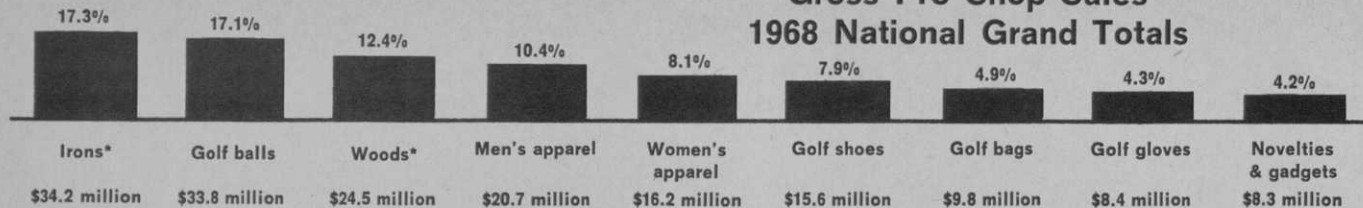
Type of course	Irons		Woods		Putters	
	Average per facility	National totals	Average per facility	National totals	Average per facility	National totals
Private						
1968	\$4,500	\$14.4 million	\$3,800	\$12.2 million	\$1,300	\$4.2 million
1969	\$5,700	\$18.3 million	\$4,000	\$12.8 million	\$930	\$3 million
1970	\$4,900	\$16.7 million	\$3,300	\$11.1 million	\$650	\$2.2 million
Semi-private						
1968	\$4,600	\$11 million	\$2,700	\$6.5 million	\$1,000	\$2.4 million
1969	\$3,700	\$8.9 million	\$3,300	\$7.9 million	\$810	\$1.9 million
1970	\$3,600	\$8.8 million	\$2,000	\$4.9 million	\$500	\$1.2 million
Hotel/Resort						
1968	\$1,200	\$460,000	\$3,400	\$1.4 million	\$960	\$384,000
1969	\$2,100	\$851,000	\$2,700	\$1.1 million	\$340	\$134,800
1970	\$1,800	\$732,800	\$1,200	\$461,600	\$530	\$213,200
Public						
1968	\$5,000	\$8.3 million	\$2,600	\$4.4 million	\$630	\$1.1 million
1969	\$4,600	\$7.7 million	\$2,500	\$4.2 million	\$710	\$1.2 million
1970	\$4,100	\$6.9 million	\$2,900	\$5 million	\$590	\$1 million
Type of course	Golf shoes		Men's apparel		Women's apparel	
	Average per facility	National totals	Average per facility	National totals	Average per facility	National totals
Private						
1968	\$2,600	\$8.4 million	\$3,300	\$10.7 million	\$2,300	\$7.6 million
1969	\$2,600	\$8.4 million	\$4,800	\$15.4 million	\$5,600	\$17.9 million
1970	\$1,900	\$6.4 million	\$4,000	\$13.6 million	\$4,000	\$13.6 million
Semi-private						
1968	\$2,400	\$5.8 million	\$3,000	\$7.3 million	\$2,300	\$4.7 million
1969	\$4,700	\$11.4 million	\$4,900	\$11.7 million	\$2,600	\$6.1 million
1970	\$1,100	\$2.6 million	\$1,600	\$4 million	\$2,000	\$4.8 million
Hotel/Resort						
1968	\$1,200	\$493,200	\$3,300	\$1.3 million	\$4,200	\$1.7 million
1969	\$2,700	\$1.1 million	\$5,400	\$2.1 million	\$3,700	\$1.5 million
1970	\$1,300	\$509,200	\$5,900	\$2.4 million	\$6,700	\$2.7 million
Public						
1968	\$520	\$867,400	\$770	\$1.3 million	\$1,300	\$2.2 million
1969	\$980	\$1.6 million	\$910	\$1.5 million	\$520	\$870,700
1970	\$2,200	\$3.8 million	\$610	\$1 million	\$320	\$536,300

Utility clubs		Bags		Headcovers		Golf balls	
Average per facility	National totals	Average per facility	National totals	Average per facility	National totals	Average per facility	National totals
\$650	\$2.1 million	\$1,600	\$5.2 million	\$580	\$1.9 million	\$4,600	\$14.8 million
\$680	\$2.2 million	\$2,300	\$7.5 million	\$430	\$1.4 million	\$6,800	\$22.1 million
\$470	\$1.6 million	\$1,500	\$5 million	\$360	\$1.2 million	\$6,500	\$22.2 million
\$590	\$1.4 million	\$990	\$2.4 million	\$370	\$881,500	\$4,700	\$11.3 million
\$710	\$1.7 million	\$1,900	\$4.6 million	\$580	\$1.4 million	\$6,000	\$14.4 million
\$330	\$808,300	\$1,000	\$2.6 million	\$210	\$517,300	\$4,600	\$11.4 million
\$150	\$60,000	\$740	\$294,000	\$210	\$82,400	\$4,200	\$1.7 million
\$210	\$85,600	\$550	\$221,200	\$220	\$86,000	\$3,800	\$1.5 million
\$190	\$74,000	\$600	\$241,600	\$160	\$65,600	\$7,700	\$3.1 million
\$200	\$328,600	\$1,100	\$1.9 million	\$520	\$859,000	\$3,600	\$6.1 million
\$220	\$363,600	\$1,100	\$1.8 million	\$220	\$358,600	\$4,600	\$7.7 million
\$490	\$823,000	\$1,000	\$1.8 million	\$260	\$448,000	\$5,200	\$8.9 million
Golf gloves		Novelties & Gadgets		Other			
Average per facility	National totals	Average per facility	National totals	Average per facility	National totals		
\$1,400	\$4.5 million	\$1,800	\$5.8 million	\$2,000	\$6.4 million		
\$1,500	\$4.8 million	\$1,400	\$4.5 million	\$2,300	\$7.4 million		
\$1,600	\$5.5 million	\$600	\$2 million	\$2,300	\$7.7 million		
\$980	\$2.4 million	\$770	\$1.9 million	\$1,200	\$2.9 million		
\$940	\$2.3 million	\$1,900	\$4.5 million	\$660	\$1.6 million		
\$1,100	\$2.8 million	\$300	\$746,100	\$860	\$2.1 million		
\$1,200	\$476,000	\$330	\$130,000	\$3,300	\$1.3 million		
\$2,300	\$914,000	\$1,100	\$444,400	\$4,000	\$1.6 million		
\$1,800	\$731,600	\$320	\$126,400	\$610	\$243,200		
\$690	\$1.1 million	\$260	\$437,000	\$220	\$362,000		
\$1,000	\$1.7 million	\$540	\$894,000	\$490	\$815,700		
\$1,400	\$2.4 million	\$300	\$500,600	\$480	\$806,100		

(Continued)

100%=\$198 million

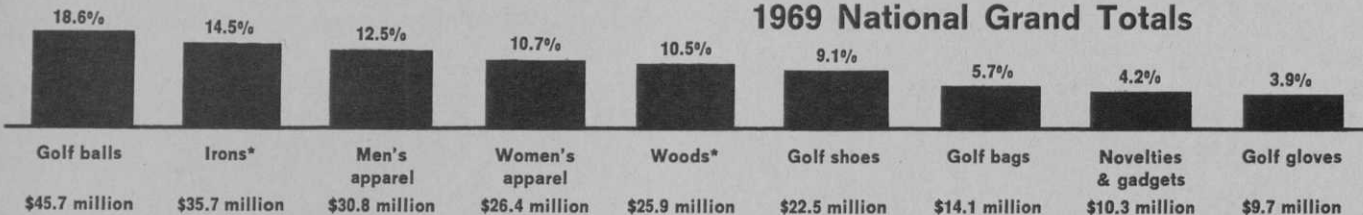
Gross Pro Shop Sales 1968 National Grand Totals



*Sales of the four golf club categories combined totaled \$70.7 million and constituted 35.7% of total pro shop sales.

100%=\$246.4 million (up 24.4% from 1968)

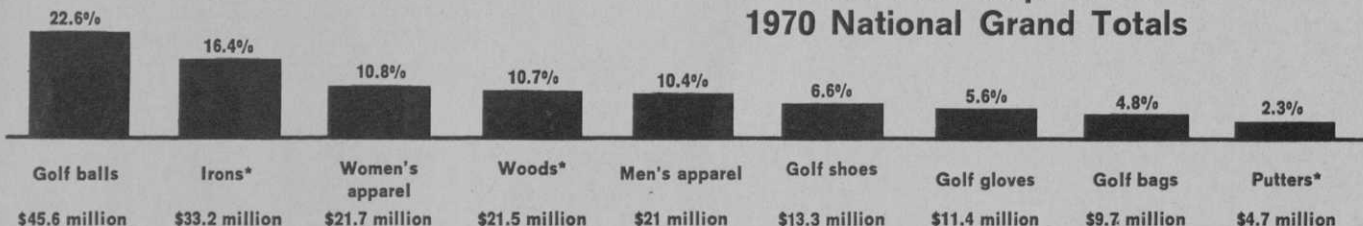
Gross Pro Shop Sales 1969 National Grand Totals



*Sales of the four golf club categories combined totaled \$72.2 million and constituted 29.3% of total pro shop sales.

100%=\$201.8 million (down 18.1% from 1969)

Gross Pro Shop Sales 1970 National Grand Totals

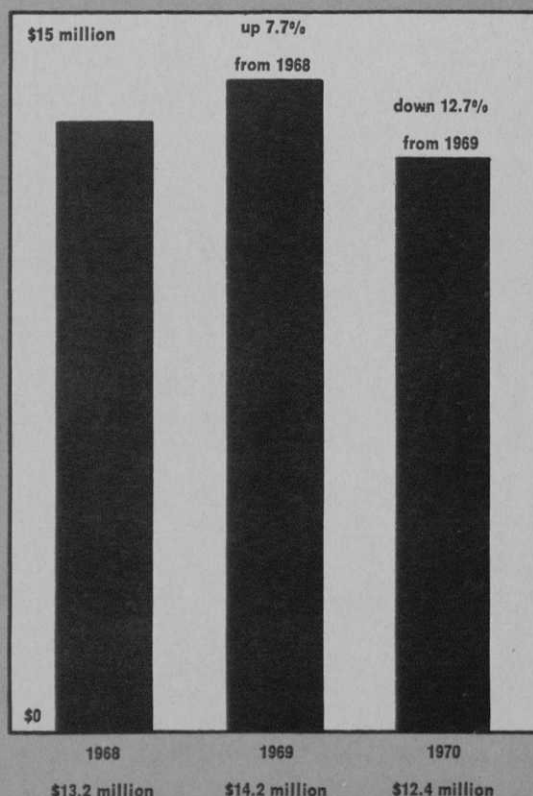


*Sales of the four golf club categories combined totaled \$62.7 million and constituted 31.7% of total pro shop sales.

Pro Income from Golf Lessons

Type of course	Average per facility	National totals
Private		
1968	\$2,500	\$8.1 million
1969	\$2,800	\$9.1 million
1970	\$1,900	\$6.6 million
Semi-private		
1968	\$ 800	\$1.9 million
1969	\$ 850	\$2 million
1970	\$1,300	\$3.2 million
Hotel/Resort		
1968	\$1,100	\$420,000
1969	\$1,100	\$440,000
1970	\$1,100	\$446,800
Public		
1968	\$1,600	\$2.7 million
1969	\$1,500	\$2.6 million
1970	\$1,300	\$2.2 million

Pro Income from Golf Lessons National Grand Totals



Pro Income from Club Cleaning and Storage Service in 1970*

Type of course	Average per facility	National totals
Private	\$5,300	\$18.1 million
Semi-private	\$1,200	\$ 3.1 million
Hotel/Resort	\$ 980	\$392,000
National Grand Total		\$21.6 million

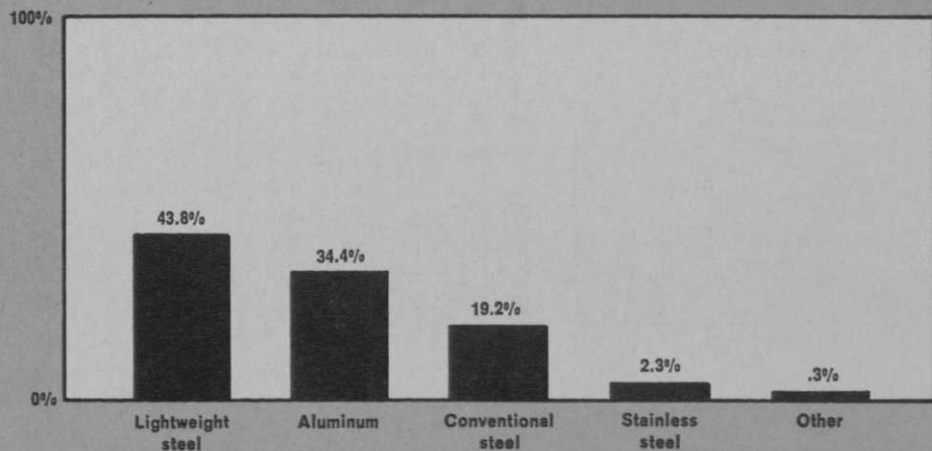
*Public courses have been excluded because most are not involved in this type of service.

Pro Income from Driving Ranges in 1970*

Type of course	Average per facility	National totals
Private	\$3,400	\$ 6.4 million
Semi-private	\$7,100	\$ 7.2 million
Hotel/Resort	\$6,800	\$ 1.7 million
Public	\$6,800	\$ 3.8 million
National Grand Total		\$19.2 million

*Figures represent the total number of such courses factored by the percentage which have a driving range.

National Golf Club Sales by Types of Shafts



1970 Golf Club Sales by Types of Shafts

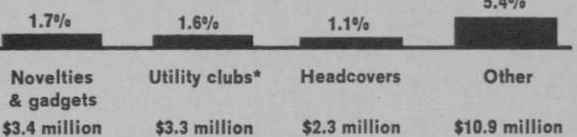
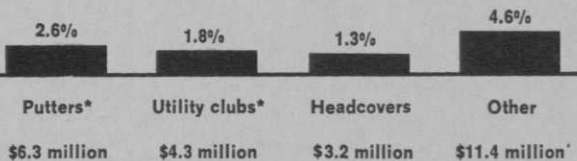
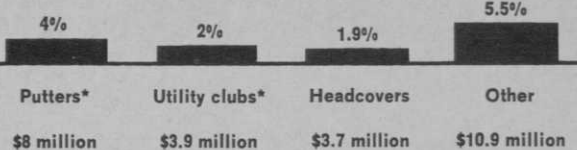
Type of course	Conventional steel	Lightweight steel	Stainless steel	Aluminum	Other
Private	12.0%	48.8%	2.2%	36.6%	.4%
Semi-private	30.8%	35.4%	2.6%	31.1%	.1%
Hotel/Resort	41.9%	37.0%	.9%	20.0%	.2%
Public	32.7%	30.7%	2.5%	34.0%	.1%

Do You Earn Prize Money from Tournament Play?

Type of course	Yes	No
Private	60.0%	40.0%
Semi-private	41.6%	58.4%
Hotel/Resort	40.0%	60.0%
Public	33.3%	66.7%
% of Total Response	50.6%	49.4%

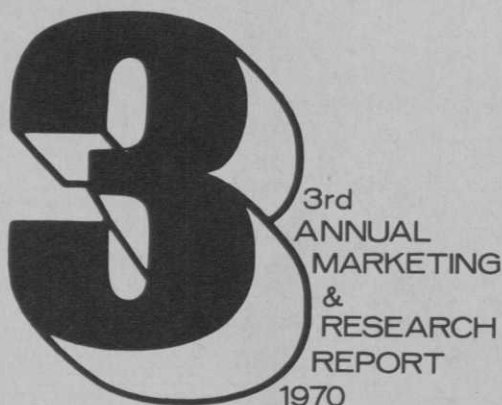
Average Amount Won by Pros Who Earn Money from Tournament Play

Type of course	Average earned
Private	\$ 930
Semi-private	\$ 680
Hotel/Resort	\$ 640
Public	\$1,600



GOLF CARS

*... defied the current state of the economy
and continued growing in numbers and
rental revenues*



Golf car business rode out 1970 with greater success than the other sources of golf course revenue. In view of the hefty growth in income from golf car rentals, golf course administrators apparently felt this was one area where drastic cutbacks in expenditures would be unwise. Although actual growth in the size of fleets did not meet managers' predictions for 1970, the average fleet still climbed 7.4 per cent, from 27 cars in 1969 to 29 cars in 1970. And total gross revenue from golf car rentals at United States facilities jumped 31.4 per cent, from \$143 million in 1969 to almost \$188 million in 1970, according to GOLFDOM's Third Annual Marketing and Research Study.

In a breakdown of average revenues by type of course, only public facilities noted a slight decrease. However, every course type noted some increase in the size of its golf car fleet.

Some 78.6 per cent of the manager-respondents indicated that their facilities have fleets. If this figure is projected to the 9,083 regulation facilities in the United States, it may be estimated that about 7,140 have golf car fleets. At an average size of 29 cars, total number of golf

cars at United States regulation facilities in 1970 would be more than 207,000. Including the average additions predicted by managers for 1971, the total could climb to more than 235,600 by year-end. This does not include those golf facilities that plan to acquire fleets for the first time this year. The study indicated that of the managers whose facilities did not have fleets, 21.3 per cent said they planned to acquire cars in the near future.

Professionals were asked if they retain any of the revenue from golf cars and if so, how much of it. Over-all, more than 74 per cent said that they retained some portion of the golf car revenue. (Generally, any division of revenue from golf car rentals would be between the professional and the club.) Of those who participate in revenue, some 34.4 per cent indicated that they retain 100 per cent. However, this figure is matched at the other end of the scale, with another 36.7 per cent of the professionals indicating that they retain only 25 per cent or less of the revenue. The remaining 29 per cent are almost evenly distributed in the three middle brackets, retaining 75 to 99 per cent, 50 to 74 per cent or 25 to 49 per cent of the revenue. □

Golf Car Tables and Graphs

Gross revenue from car rentals	
Average	71
National grand totals	71
Gross revenue retained by professionals	71
Percentage of pros who participate in car revenue	74
Sizes of golf car fleets	
Average	74
Over-all average	74

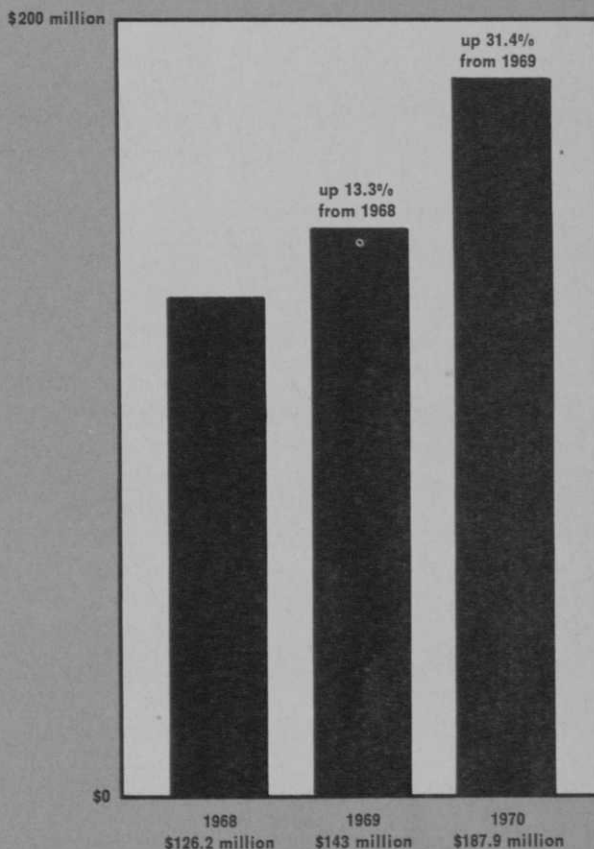


Average Gross Revenue from Golf Car Rentals*

Type of course	Average per facility
Private	
1968	\$18,500
1969	\$20,300
1970	\$32,300
Semi-private	
1968	\$13,600
1969	\$14,700
1970	\$20,600
Hotel/Resort	
1968	\$32,800
1969	\$42,500
1970	\$65,600
Public	
1968	\$12,500
1969	\$14,900
1970	\$11,900

* Before any division of revenue

Gross Revenue from Golf Car Rentals National Grand Totals*



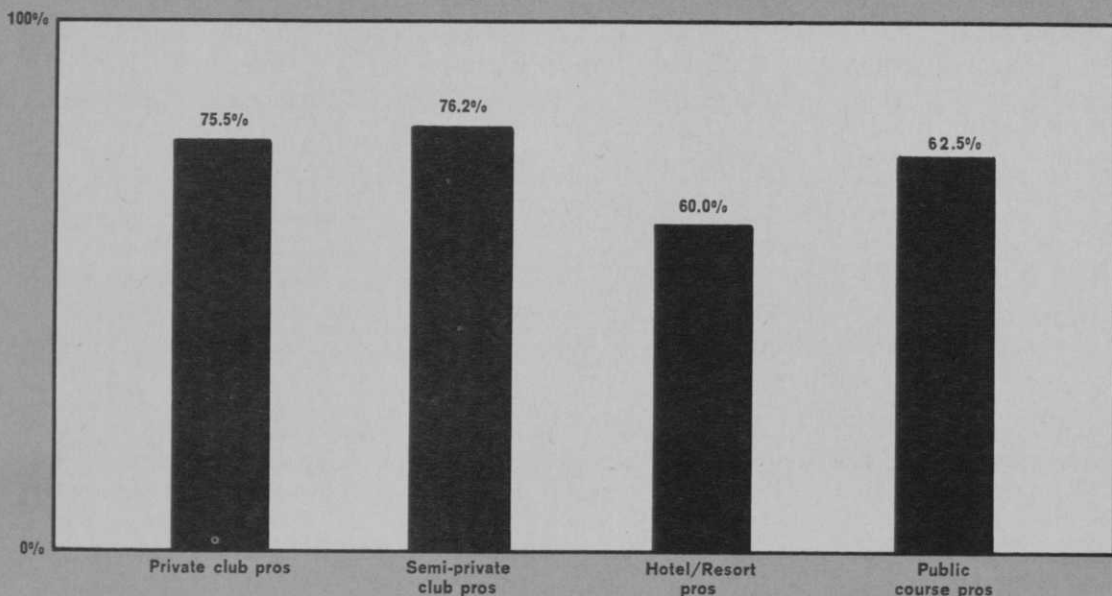
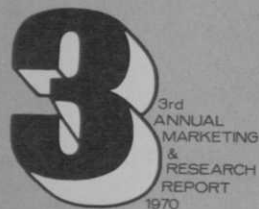
* Before any division of revenue

Percentage of Gross Golf Car Revenue Retained by Pros Who Participate*

Type of course	Retain 100% of revenue	Retain 75%-99% of revenue	Retain 50%-74% of revenue	Retain 25%-49% of revenue	Retain under 25% of revenue
Private	24.8%	10.9%	10.9%	6.9%	46.5%
Semi-private	50.8%	6.3%	6.3%	17.5%	19.1%
Hotel/Resort	16.7%	0%	8.3%	16.7%	58.3%
Public	75.0%	25.0%	0%	0%	0%
Over-all response	34.4%	8.9%	8.9%	11.1%	36.7%

* Figures entered indicate percentage of respondents for each course type

Percentage of Pro Respondents Who Participate in Golf Car Revenue*



Over-all percentage who participate in golf revenue 74.1%
* Figures pertain to those pros at facilities renting golf cars

Average Sizes of Golf Car Fleets

Type of course Average per facility*

Private

1968	27
1969	32
1970	32
Estimate 1971	39

Semi-private

1968	17
1969	17
1970	22
Estimate 1971	26

Hotel/Resort

1968	27
1969	38
1970	40
Estimate 1971	43

Public

1968	13
1969	15
1970	20
Estimate 1971	22

* Variance from the average in the case of an individual fleet could be accounted for by two factors: number of holes and size of the membership or amount of player traffic.

Overall Average Size of Golf Car Fleet

