

CLUB MANAGERS...

held down their costs and made healthy gains in most income-producing areas

Managers noted marked improvements in major income areas for 1972. Revenue from green fees made a strong showing, with a 21.6 per cent gain over 1971 to \$397.4 million. Gross food sales at private and semi-private facilities made a respectable 10.6 per cent increase to \$814 million. These gains more than offset the slight decline of 1.8 per cent in gross liquor sales at private and semi-private facilities.

An inordinate increase in operating expenditures for 1972 and in the budget for 1973 was shown by GOLFDOM's Fifth Annual Marketing and Research Study, over last year's figures. The \$2.10 billion for 1972 and the 1973 budget of \$2.31 billion compared with expenditures of \$1.22 billion for 1971 is explained by the inclusion of payroll costs in the expenditures for 1972 and budget for 1973, which were heretofore excluded from manager responses. Payroll costs are now and will continue to be included in operating cost surveys because in many cases they account for more than half the total operating costs. Otherwise, 1972 expenditures would reflect a figure at about the 1971 level. Clubhouse improvement costs in 1972 were down 10.2 per cent to \$29,000 per facility.

Property taxes continue to take their toll on clubs. The national total taxes paid on property for private, semi-private and hotel/resort courses combined rose to \$175.2 million, a 128.4 per cent gain over five years ago.

Managers experienced no significant salary increases in 1972 over 1971 in any of the brackets and a very small percentage have attained the two top brackets of \$20,000 to \$25,000 and \$25,000 plus.

continued



CLUB MANAGERS' TABLES AND GRAPHS

Liquor, gross receipts	National grand totals	54
Average and national totals	Operating expenditures	
National grand totals	Average and national totals	55
Liquor purchase budgets	National grand totals	55
Average and national totals	Taxes on club property	
National grand totals	Average	55
Food, gross receipts	National grand totals	55
Average and national totals	Expenditures for clubhouse improvements	
National grand totals	Average	56
Food purchase budgets	National grand totals	56
Average and national totals	Plans for improvements	56
National grand totals	Managers' salaries	
Revenue from green fees	All course types	56,57
Average and national totals	Each course type	57

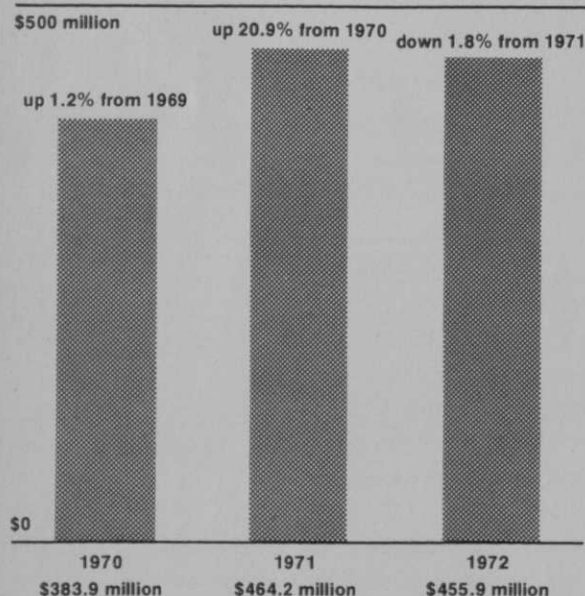
GROSS RECEIPTS FROM LIQUOR* SALES (private and semi-private facilities)**

Course type	Average per facility	National totals
Private		
1970	\$72,500	\$286.7 million
1971	\$80,300	\$322.9 million
1972	\$83,500	\$345.8 million
Semi-private		
1970	\$27,500	\$ 97.2 million
1971	\$38,900	\$141.3 million
1972	\$30,000	\$110.0 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.

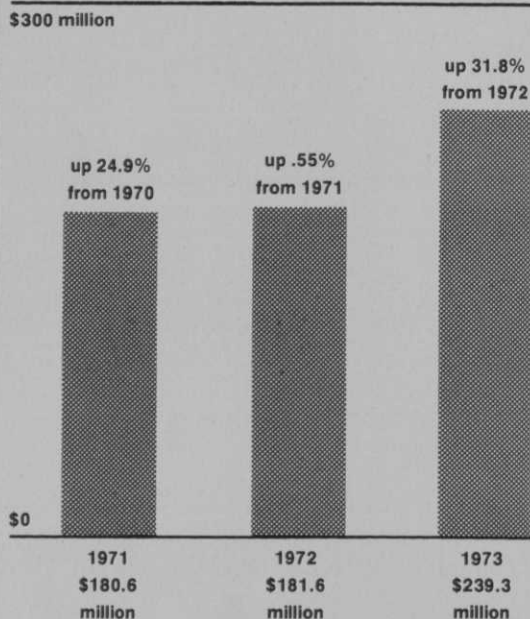
GROSS RECEIPTS FROM LIQUOR* SALES (private and semi-private facilities)** NATIONAL GRAND TOTALS



* Includes hard liquor, wines and beer

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LIQUOR* PURCHASE BUDGETS (private and semi-private facilities)** NATIONAL GRAND TOTALS



* 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.

LIQUOR* PURCHASE BUDGETS (private and semi-private facilities)**

Course type	Average per facility	National totals
Private		
Budget 1971	\$29,700	\$117.2 million
Budget 1972	\$28,800	\$115.9 million
Budget 1973	\$41,800	\$173.3 million
Semi-private		
Budget 1971	\$18,000	\$ 63.4 million
Budget 1972	\$18,100	\$ 65.7 million
Budget 1973	\$18,000	\$ 66.0 million

* Includes hard liquor, wines and beer.

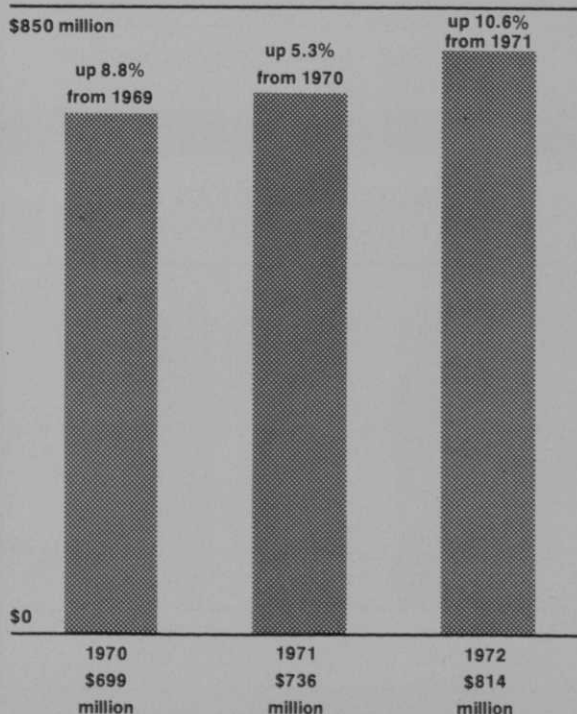
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GROSS RECEIPTS FROM FOOD SALES (private and semi-private facilities) *

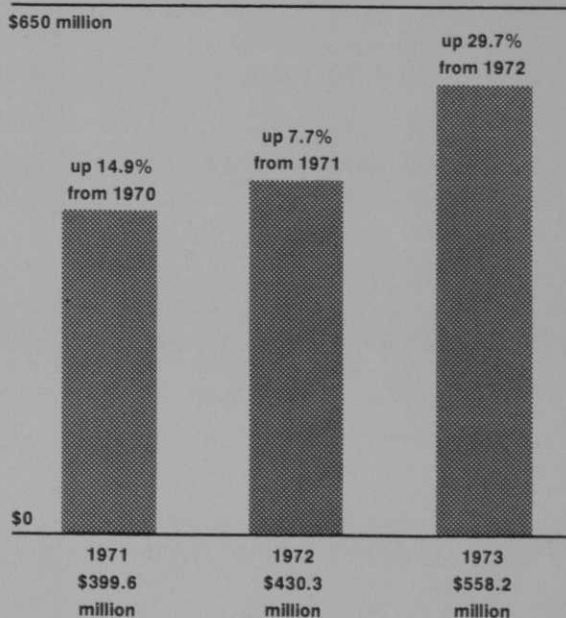
Course type	Average per facility	National totals
Private		
1970	\$138,700	\$548.1 million
1971	\$148,200	\$595.9 million
1972	\$160,900	\$666.6 million
Semi-private		
1970	\$ 42,700	\$150.9 million
1971	\$ 38,600	\$140.1 million
1972	\$ 40,200	\$147.4 million

* 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.

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 1971	\$ 83,800	\$331.2 million
Budget 1972	\$ 84,800	\$340.9 million
Budget 1973	\$109,900	\$455.0 million
Semi-private		
Budget 1971	\$ 19,400	\$ 68.4 million
Budget 1972	\$ 24,600	\$ 89.4 million
Budget 1973	\$ 28,100	\$103.2 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.

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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 they refer to regulation golf facilities only.

The term golf facility refers to an entire golf establishment. 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 golf facility that does not represent private interests.

In some cases averages for 1971 and 1972 are the same, but national projections are different. This is indicative of the growth in the number of golf facilities.

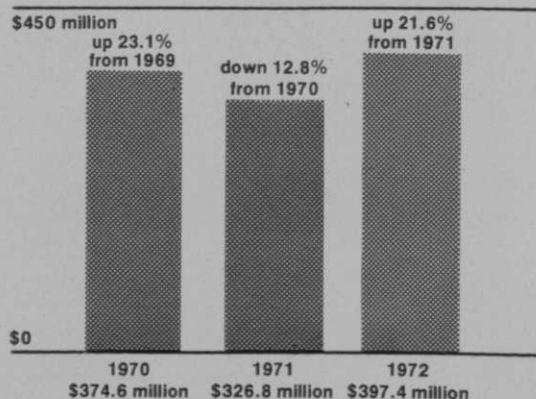
Figures in the billions have been rounded to the nearest ten million dollars; figures in the millions have been rounded to the nearest hundred thousand dollars; figures in the thousands have been rounded to the nearest hundred dollars, and figures in the hundreds have been rounded to the nearest ten 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.

REVENUE FROM GREEN FEES

Course type	Average per facility	National totals
Private*		
1970	\$14,200	\$ 56.3 million
1971	\$17,200	\$ 69.2 million
1972	\$15,600	\$ 64.6 million
Semi-private		
1970	\$61,200	\$216.2 million
1971	\$49,300	\$179.1 million
1972	\$68,400	\$250.9 million
Hotel/Resort		
1970	\$69,900	\$ 28.0 million
1971	\$62,900	\$ 25.8 million
1972	\$66,100	\$ 27.6 million
Public		
1970	\$61,900	\$ 74.2 million
1971	\$42,700	\$ 52.8 million
1972	\$42,700	\$ 54.2 million

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

REVENUE FROM GREEN FEES NATIONAL GRAND TOTALS



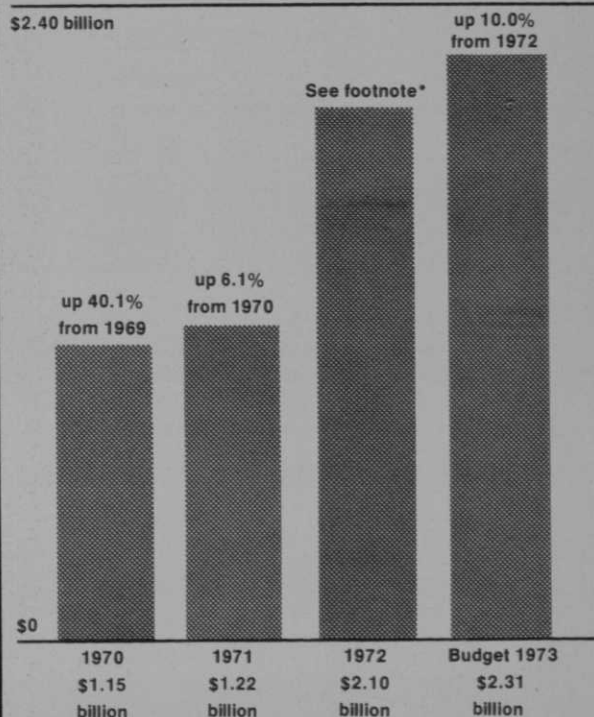
OPERATING EXPENDITURES

Course type	Average per facility	National totals
Private		
1970	\$217,400	\$859.2 million
1971	\$238,200	\$957.6 million
1972*	\$380,800	\$1.58 billion
Budget 1973*	\$419,600	\$1.74 billion
Semi-private		
1970	\$ 66,600	\$235.1 million
1971	\$ 58,300	\$211.8 million
1972*	\$109,900	\$403.2 million
Budget 1973*	\$121,200	\$444.5 million
Hotel/Resort		
1970	\$ 13,900	\$5.6 million
1971	\$ 17,200	\$7.1 million
1972*	\$ 79,300	\$33.2 million
Budget 1973*	\$ 81,800	\$34.2 million
Public		
1970	\$ 44,000	\$52.8 million
1971	\$ 41,500	\$51.2 million
1972*	\$ 70,500	\$89.4 million
Budget 1973*	\$ 76,700	\$97.3 million

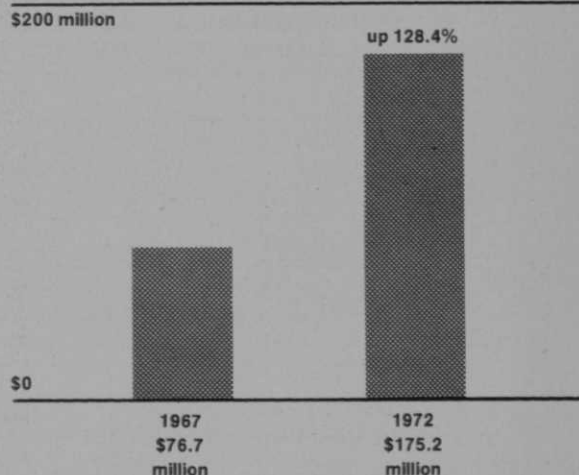
AVERAGE ACTUAL TAXES PAID ON CLUB PROPERTY

Course type	1967	1972
Private	\$15,400	\$24,700
Semi-private	\$ 3,100	\$19,100
Hotel/Resort	\$ 4,400	\$ 7,200

OPERATING EXPENDITURES NATIONAL GRAND TOTALS



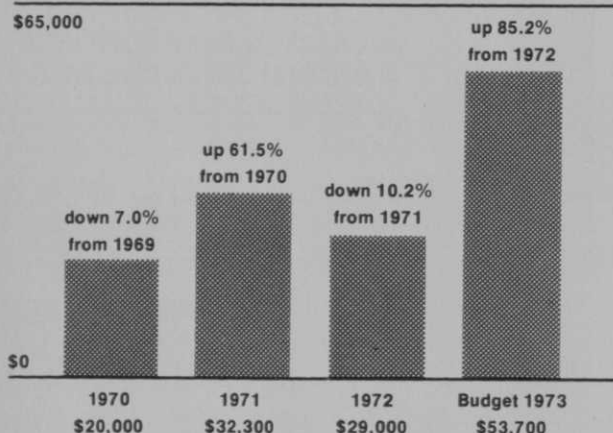
ACTUAL TAXES PAID ON CLUB PROPERTY NATIONAL GRAND TOTAL



*Important: It must be pointed out that what appears to be an inordinate increase in operating expenditures is due to the inclusion of payroll costs in the 1972 and budget 1973 figures. In previous years managers had been asked to exclude payroll costs from their responses. However, payroll costs in many cases can account for more than half of total operating expenditures.

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EXPENDITURES FOR CLUBHOUSE IMPROVEMENTS AVERAGE PER FACILITY*



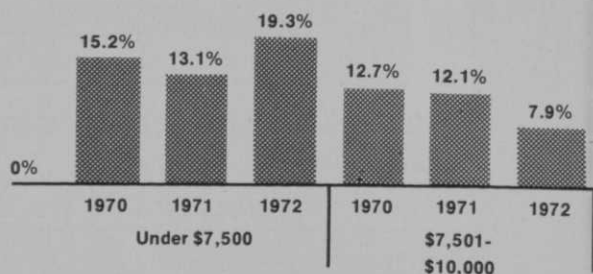
*Averages encompass all four types of regulation facilities—private, semi-private, hotel/resort and public.

NATIONAL GRAND TOTALS:

1970	\$181.9 million
1971	\$221.8 million
1972	\$219.0 million
Budget 1973	\$422.4 million

MANAGERS' SALARIES

100%

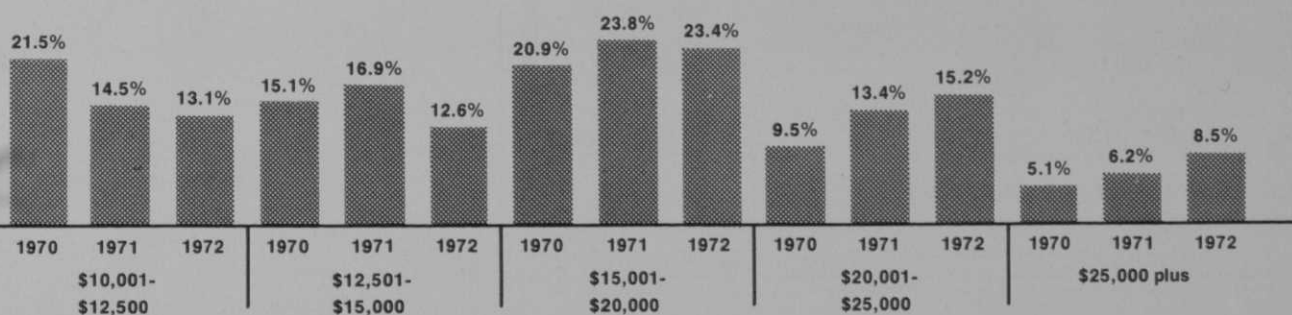


PLANS FOR IMPROVEMENTS (Per cent* of response in each course type)

Location	Private		Semi-private		Hotel/Resort		Public	
	Installations, Additions	Renovations, Redecorating	Installations, Additions	Renovations, Redecorating	Installations, Additions	Renovations, Redecorating	Installations, Additions	Renovations, Redecorating
Clubhouse	31%	49%	40%	52%	25%	25%	27%	30%
Dining room	14%	39%	18%	26%	25%	17%	23%	7%
Kitchen	22%	27%	30%	16%	50%	17%	23%	10%
Pro shop	19%	15%	24%	24%	42%	25%	23%	20%
Swimming pool	9%	20%	12%	6%	17%	0%	0%	3%
Parking	19%	13%	24%	12%	33%	25%	23%	7%
Golf course garage	19%	7%	30%	10%	33%	8%	33%	3%
Other	18%	5%	28%	8%	8%	8%	20%	0%

* Percentages reflect multiple answers; therefore, when added, they will not total 100.

(per cent of response, all course types combined)



ANNUAL MANAGERS' SALARIES (per cent of responses in each course type)

Salary ranges	Private			Semi-private			Hotel/Resort			Public		
	1970	1971	1972	1970	1971	1972	1970	1971	1972	1970	1971	1972
Under \$7,500	13.7%	6.6%	12.4%	14.9%	31.7%	28.3%	10.0%	—*	16.7%	50.0%	57.1%	48.6%
\$7,501-\$10,000	7.4%	8.1%	4.3%	21.3%	22.2%	20.0%	20.0%	44.4%	25.0%	16.7%	—*	5.4%
\$10,001-\$12,500	16.8%	12.3%	11.6%	31.9%	19.0%	11.7%	10.0%	11.1%	16.7%	33.3%	42.9%	24.3%
\$12,501-\$15,000	17.9%	19.0%	12.5%	14.9%	9.5%	15.0%	—*	33.3%	16.7%	—*	—*	8.1%
\$15,001-\$20,000	27.4%	29.4%	27.0%	10.6%	11.1%	18.3%	20.0%	—*	25.0%	—*	—*	8.1%
\$20,001-\$25,000	10.5%	17.5%	20.2%	6.4%	3.2%	5.0%	20.0%	—*	—*	—*	—*	5.4%
\$25,000 plus	6.3%	7.1%	12.0%	—*	3.2%	1.7%	20.0%	11.1%	—*	—*	—*	—*

* No response in these categories.