

# News

## LEGAL ISSUES

### 'Pro-only' win stalls golf retailers

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In what many golf equipment manufacturers must see as a significant step in the vindication of the "pro-only" policy, a federal district court in Chicago decided on November 4 that the right of a company to sell only to pro shops was indeed legal.

The case in question involved Morrie Mages Sports, Inc., a Chicago sporting goods chain, that had attempted for more than 2 years to get its case against 11 equipment manufacturers, Foot-Joy, Burton Golf Co., and the Charles A. Eaton Co. before the Federal District Court, Northern District of Illinois.

In the final lineup, only Wilson Sporting Goods, Spalding, Inc., Acushnet Sales Co., Royal Golf Co., and Dunlop Sports Co. remained to take on Mages. The following firms settled out of court by either agreeing to sell merchandise to Mages or paid cash settlements: Burton, Charles A. Eaton, Foot-Joy, Hillerich & Bradsby, Karsten Manufacturing, MacGregor Golf, ProGroup Inc., Ram Golf Co., and Victor Golf Co. No disclosures were made by counsel on who paid cash or who settled with merchandise, or how much the cash settlements were.

As in similar litigation, Mages'

contention was the "pro-only" policy was in effect a form of anti-trust, and sporting goods outlets and golf speciality shops were entitled to the top brand equipment.

Lasting for only 9 days, the trial before a six-member panel went much quicker than either attorneys for Mages or the manufacturers had anticipated. Judge Bernard Decker pressed both sides to speed the case along, not allowing for much elaboration on any point.

Chief counsel for Mages in the case was Henry Klein, a 32-year-old New Orleans lawyer, who had made a name for himself in the Golf City case, which pitted the

Judge Bernard Decker looks down on attorney Henry Klein, as the New Orleans lawyer pleads his case for Morrie Mages Sporting Goods. The trial, which only lasted 9 days, pitted five golf equipment manufacturers against a Chicago retailer. Decker sped the "pro-only" case along in the federal district court in Chicago.



GRETCHEN TRAVERS

Professional Golfers Association and Wilson against a golf specialty shop in New Orleans in a similar anti-trust suit. The initial verdict in that case went to Golf City, but Wilson's appeal is set to be heard in January in the Fifth Circuit Court of Appeals in New Orleans. At stake for Wilson is nearly \$293,000 in damages it would have to pay if it loses.

Commenting on the Chicago verdict to GOLF BUSINESS, Klein said he was not "fazed" by the decision and Mages would be appealing it. In a rough estimate, Klein noted that a decision in the Seventh Circuit Court of Appeals in Chicago on the case would probably be a year away.

Mages has insisted the annual net profit loss to his business due to the "pro-only" edict has been more than \$532,000 a year. "I don't think the jury clearly understood what is involved in an anti-trust suit like this," Klein said. "They could not understand how manufacturers have conspired to injure such merchants by such 'pro-only' attitudes."

On the other side of the case, Wilson Vice President of Marketing Phil Odeen told GOLF BUSINESS the decision was a major breakthrough for the companies that believe in the pro shop. "This should make some people in the field that have considered suing us and others think twice about it."

In a statement issued by Don McClure, vice president and chief counsel for Wilson, the company indicated it had full confidence in the legality of its policy and felt vindicated by the jury's verdict.

Cases are still pending against Wilson and other companies along the same lines. Odeen told GOLF BUSINESS new suits in Buffalo and Kansas City still need settlement. The Buffalo case, which is set for trial starting February 1, involves Henry Klein again, this time representing Joe Charles Sports Shop.

## NGF's MacDonald sees good future

Although the view was somewhat futuristic, National Golf Foundation President Paul MacDonald took an optimistic approach to the next decade of golf in this country at the NGF's fall meeting in Palm Springs, Calif., last month.

"The game in the year 2000 will be strong," MacDonald said to his audience at the autumn luncheon at the Canyon Hotel. The Dunlop Sports executive pointed to four areas which would have a direct effect on the growth of the game. Population, buying power, increased leisure time, and mobility were the keys, according to MacDonald, to added acceptance of golf. "All these areas will see dramatic increases by 1980," the NGF president predicted.

MacDonald also revealed a current ongoing project by the foundation which was a complete report on where the market is now and where it is going. Prime objectives of the survey are to reveal new course development and the number of new players coming into the game, plus the open space planning and study now being done in the nation as it will affect golf.

The speech was not all rose-colored, though. Ever aware of the growing problems of private country clubs in this country, MacDonald shifted the emphasis of the NGF toward the public golf facility, stressing that the foundation would not ignore the municipal course. "We must strike a popular nerve," MacDonald insisted.

In an effort to answer some of those problems, though, the NGF is sponsoring a meeting in Chicago, set for December 1, which will have on hand the decision-makers for the Professional Golfers Association, the Golf Course Superintendents Association of America, the Club Managers Association of America, the National Club Association, the United States Golf Association, and

the National Association of Public Golf Courses. The only problem with the meeting is it is closed to the press. Bob Rickey, public relations director for the NGF, told GOLF BUSINESS anything pertinent coming out of the talks would be released and future meetings of the allied association group would be open to the press. This first get-together will be an organizational meeting.

In conjunction with the October NGF meeting, the National Association of Golf Club Manufacturers, the Golf Ball Manufacturers Association, and the Golf Products Manufacturers Association also had their autumn meetings at the Palm Springs site.

One member of the golf ball association has dropped out of the market: Shakespeare. According to B. J. Lavins, vice president for the sports products division, the firm has phased out production completely at its Plymouth Meeting, Pa., factory.

The infant manufacturers association is the GPMA and President Don Van Pelt of Sahara Slacks told GOLF BUSINESS his group was putting together a campaign to lure other members into the fold. There are plans to add component manufacturers, such as shaft and grip producers, into the association, which for the most part is composed of softgoods and shoe firms.

The NGF's Rossi also announced that the foundation's move to its new home in Florida would be completed by November 1. Those now wishing to contact the NGF can write to 200 Castlewood Dr., North Palm Beach, FL 33408 or call 305/844-2500.

## H.R. 1144 passage upstages NCA

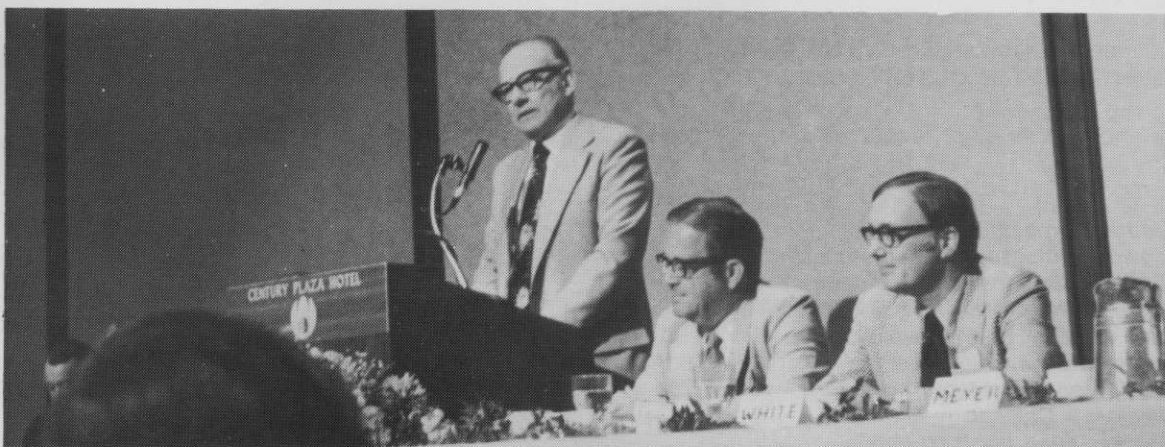
Although the National Club Association put on a dynamic educational program at its annual convention in Los Angeles, the star of the show turned out to be a piece of legislation the NCA has been working on for more than three years.

H.R. 1144, a bill that in effect raises the percentage of non-member business clubs can do from 5 to 15 percent of their gross sales, passed the Senate at the 11th hour on October 5, during the convention. Since then, On October 21, President Ford signed the bill into law, closing the chapter on the first piece of legislation the NCA helped sponsor from start to finish.

Highlight of the convention was the luncheon speech delivered by Louisiana congressman Joe D. Waggoner, Jr. Waggoner had been H.R. 1144 sponsor throughout its four-year life in the House, when at times it had had other numbers on its journey around Capitol Hill.

Although a Democrat, Waggoner lashed out at Presidential candidate Jimmy Carter, who the day before had spoken at the convention site, the Century Plaza Hotel.

"I'll see [Carter] in hell with his back broke, before I yield to him on his tax philosophy," Waggoner told his audience. Waggoner went on to refute Carter's comments on adding more government programs



Picking up where he left off in Washington, Rep. Joe D. Waggoner took some strong pokes at Jimmy Carter's stance on taxes while speaking to a luncheon crowd at the NCA convention in Los Angeles.

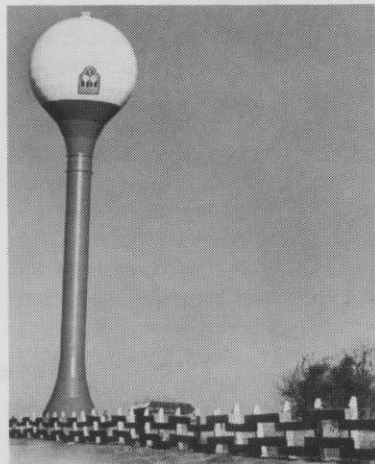


to take care of the ills of the nation. "There is a problem with government spending. This country has exceeded its ability to pay for government. Unless we recognize that fact, we may fall with other former powers," Waggoner insisted.

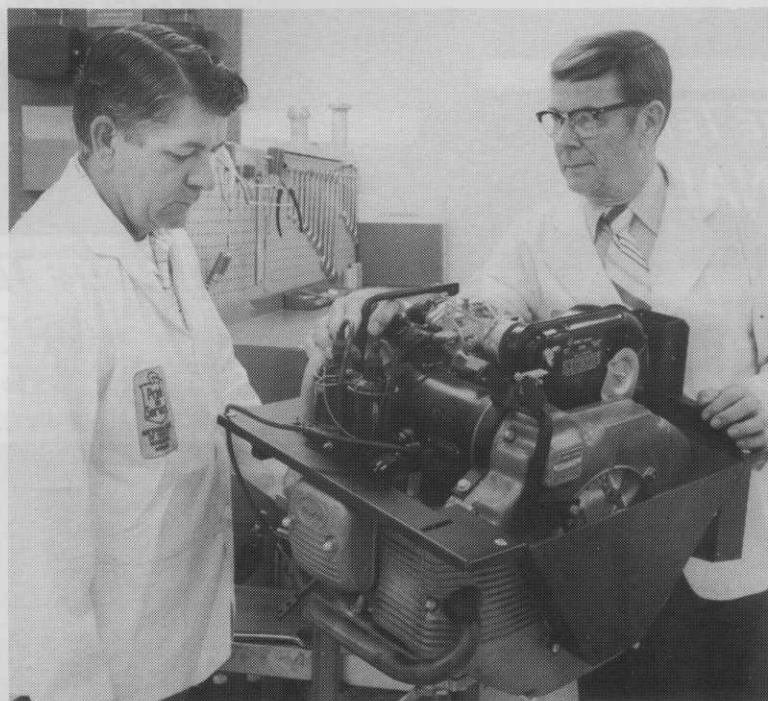
For the more than 200 managers attending the conference, the educational conference filled the core of the convention. The most stimulating was the seminar on tax and legal issues given by NCA legal counsel Tom Ondeck. Ondeck gave a two-hour primer on what the industry has to know to keep up on changing legislation. Such issues as liability, union troubles, and wage and hour battles were covered in the Ondeck session.

Eric Hansen, a certified public accountant with Laventhol & Horwath, Los Angeles, discussed the necessity of proper cost controls at clubs in another topical session, while Fred Schmid, a noted national foodservice facility designer, focused on the intricacies of how club layout and design will have an effect on profitability.

Another popular session was



*Water tanks, you must admit, are usually eyesores. But the Rolling Hills Golf and Racquet Club near Montgomery, Ala., turned its eyesore into an eyecatcher by painting it to look like a 34-foot white golf ball resting on a 100-foot red tee. It even appears to have dimples. So the tank not only stores 150,000 gallons of water for the course sprinkling system, club facilities, and 200 homesites, it also marks the entrance to the club. Brown Steel Contractors, Inc., of Newman, erected the tank and painted it with Koppers protective coatings.*



*Jack Northrup (right), Cushman-Ryan service training manager, and W. E. Kaarstad, service school supervisor, discuss the company's service training courses which are being implemented this fall in Atlanta, San Francisco, and Lincoln (Nebr.). The 2½-day classes are geared to mechanics in the turf care industry and will be conducted on a rotating basis through March.*

the one on club liability insurance given by Jim Favor, vice president of Fred S. James & Co., a Denver insurance firm specializing in club coverage.

Favor pointed to the fact that many clubs can budget in small "self-insurance" funds which may be needed throughout the year to cover minimal losses. A great amount of emphasis was placed on the idea that most clubs are underinsured. Favor insisted clubs should utilize qualified appraisal personnel to find out where they are lacking in coverage.

At the annual dinner meeting of the NCA, top priority was placed on the installation of the new president, Milton E. Meyer, Jr., of Pinehurst Country Club, Denver.

Probably the only lack of success in the NCA program was the organization's first excursion into the exhibit business. Some 15 companies were in the exhibit area, but due to the small turnout, failed to have enough traffic to show real interest in their products.

## Golden anniversary of CMAA in Chicago

In early 1927, the Club Managers Association of America got together for its first meeting in Chicago's Hotel Sherman. From February 7-11, 1977, the CMAA will meet near

where it all began, as the association commemorates its 50th anniversary at the Conrad Hilton Hotel.

According to CMAA Executive Director Horače Duncan, all 24 of the organization's living past presidents will be on hand at the celebration, which formally starts at a "birthday party" on Monday, February 7.

As always, the conference will include a number of interesting educational seminars for the club managers. On the speaking program are: Anthony Marshall, associate dean at Florida International University, "Smorgasbord of Legal Tidbits"; Dr. Howard Smith, head of the management department at the University of Georgia, "Management"; Dr. Earl Brooks, Cornell University, "Management Communications"; Mike Hurst, Florida International University, "Food for Thought"; Dr. Dean D. Miller, Physical Fitness Institute of America, "Fitness for Busy People"; and Don Thoren, Thoren Consulting Group, "Golden Rule Communication."

A number of panel discussions will also be available to CMAA members. These sessions will discuss such problems as golf cars, decorating, computers, taxation, insurance, and laundry/linen services.

Featured speaker at the conference is Dr. Norman Vincent Peale whose talk will be on

"Tomorrow" at a seminar on Thursday, February 10.

Duncan told GOLF BUSINESS that managers interested in attending the 50th anniversary meeting can still send their applications to 7615 Winterberry Place, Washington, DC 20034.

## Portland site hoped to draw for GCSAA

Attempting to boost lagging attendance of its annual conference over the past few years, the Golf Course Superintendents Association of America has planned with the educational aspect in mind for its 48th International Turfgrass Conference, set for Portland, Ore., February 6-12, 1976.

Association officials project more than 5,000 people will be involved in the show at the Memorial Coliseum and Exhibit Hall. How many of those will be association members will be the big question in the show's final analysis.

"Turfgrass Management: A Synergetic Approach" is the theme of the conference. The education program will focus on the interdependence and interrelationship of the many parts of golf course management. Although still heavily turf oriented, the educational program seems to be taking a turn toward looking into the superintendent's responsibility as a manager.

Nearly 60 speakers will address the 20 formal educational sessions at Portland, covering such topics as fertilizers, irrigation, effluent water usage, insects, construction and remodeling of courses, and soil testing.

Making the keynote address to the GCSAA will be CBS-TV sports commentator Heywood Hale Broun, speaking on "The Role of Big Games in Society."

As always, the association will hold certification and recertification examinations for superintendents prior to the conference's formal opening. A series of seminars on landscaping, management, pesticides, and turfgrass nutrition will also be offered on the pre-convention program.

## GOLF OVERSEAS

**Golf is growing  
In Japan**

A survey by Tokyo's Ministry of International Trade and Industry, as reported in *U.S. News & World Report*, shows Japan now has 1,114 golf courses spread over 210,000 acres — and those figures are expected to double within 5 years.

Some 7 million Japanese play golf (out of a population of 110 million), producing golf course revenues of \$1.2 billion in 1975. Greens fees accounted for about 51 percent of that, with 16 percent attributed to affiliated shops and restaurants. The remainder was from other charges, including those for caddies.

Unusual from an American point of view is the fact that 70 percent of the country's golf course 110,000 employees are women — and 98 percent of their caddies.

## ASSOCIATIONS

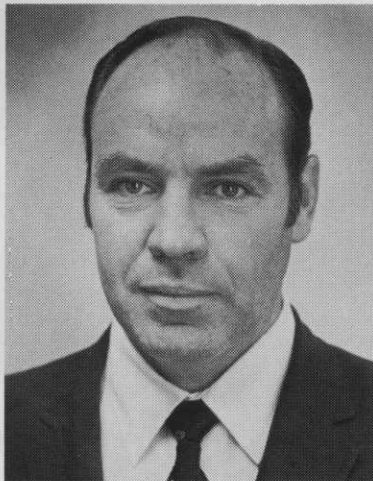
**GCSAA names Maples  
new education head**

In a move that may have surprised some members of the Golf Course Superintendents Association of America, Executive Director Conrad Scheetz announced that former association president Palmer Maples has become the new director of education.

Maples will be filling the vacancy left by former director of education William E. Knoop, who resigned the post in July.

The appointment was seen by some members of the association as a return to getting "one of their own" to head the education program, referring to Maples' experience as a superintendent of 17 years.

A certified golf course superintendent, Maples has been in the business since his high school days, working for his father, superintendent/professional at a course in Rocky Mount, N.C. After high school, Maples completed a two-year turf course at Abraham Baldwin College in Tifton, Ga. He



*Palmer Maples, Jr.*

also studied agronomy at North Carolina State College and Texas A&M. After two years in the Army, he returned to get his undergraduate degree at the University of Georgia in agronomy.

After a six-year career at the Standard Club in Atlanta, Maples heads for the GCSAA headquarters in Lawrence, Kan. Maples made his immersion on the national GCSAA scene in 1970 when he was elected to the association's executive committee. He later served as secretary-treasurer and as vice president. Maples' presidential term was in 1974. As immediate past president, he has been involved on the executive board as a director.

**Wren, O'Brien rise  
in PGA staff shuffle**

In an effort to fill some holes in his infant Club and Professional Services and established Education programs, PGA Executive Director Mark Cox did some personnel shuffling and appointed two familiar faces to take over administrative duties.

Former Education director Gary Wren is now in charge of the Club and Professional Services spot, vacated by Bill Blanks. Blanks left the PGA for family reasons and has since taken a marketing position with Baron Putters, Burbank, Calif.

Joe O'Brien who had been Wren's education coordinator, moves up to that department's top spot.

With a polished program over the previous four years, Wren had gained much in the educational area for the PGA pro. Wren earned his masters from the University of Michigan and his doctorate from the University of Oregon.

Probably the most notable additions to the education program Wren established just this year were seminars to better instruct the PGA professional in the intricacies of being a general manager and program to inform club and course management of the profit advantages of having a PGA pro.

O'Brien is a graduate of the University of Illinois, but received his masters from DePaul University in Chicago. Most notable accomplishment for the young O'Brien over the past two years has been his direction of the PGA Business Schools.

**Geisler heads NGF  
school golf effort**

Attempting to further introduce the game into the schools of the country, the National Golf Foundation has begun a pilot program to get more young people playing golf.

Under the guidance of foundation board member Richard M. Geisler, the NGF has selected eight school districts throughout the nation to whom it will offer free golf equipment. Golf instruction from the foundation's consulting teachers staff, training films, and clinics are also available to the schools at a nominal cost.

"There are an estimated 12 million 'hard-core' golfers in the country," said Geisler, who is president of Spalding. "In 1975, the number of women golfers increased approximately 12 percent, while the number of males playing remained the same."

**Car association  
attempts a comeback**

Pushed into a corner by the safety standards demanded by the government, some golf car manufacturers are again attempting to pump new life into the defunct American Golf Car Association. In a meeting hosted by the National



*Bill Rahmes (left), whose territory includes the greater Chicago area and several surrounding counties, was given the PGA Victor salesman of the year award by National Sales Manager Frank Gallagher at the company's annual sales meeting.*

Golf Foundation in late August, three of the 15 companies in the market showed up. The group comprised E-Z-Go, AMF Harley-Davidson and Johns-Manville.

Hard times have hit many of the manufacturers. Couple that with the \$10,000 fee into the association, and it is easy to foresee the demise of the group. Some efforts to form an expanded association may be made by the manufacturers themselves, by getting their dealer/distributor networks involved.

E-Z-Go has filed some golf car standards with the Consumer Product Safety Commission and is hoping that they will be acceptable to the government. Whether or not they will be acceptable to the other manufacturers is the biggest question before the car industry now.

**Correction**

We reported in our August issue that a golf pro could have his biorhythm charted (free) by Edmund Scientific, Barrington, N.J. It's true, but not for free. Edmund will chart a person's (12 month) biorhythm for \$15.95. They also offer a biorhythm kit for \$14.50, to help those who prefer to do their own charting.



## SHOWS &amp; CONVENTIONS

**Southwest show gets 400 pros to Dallas**

Quickly becoming one of the biggest regional pro shop trade shows in the country, the Southwestern Professional Golf Salesman's Association fifth show brought a record number of club professionals to its Dallas site in late September.

According to SWPGSA President Leon Faucett, 415 pros were on hand for the three-day run that included a record 90 exhibitors at the North Park Inn Center Complex.

Doubling the number of exhibitors over its past five years, the show brings the pro closer to buying when the new lines first hit the market.

Several national firms had their top sales personnel on hand at Dallas including Miller Golf's Dick Marchetti, who said, "Besides the PGA Merchandise Show, this is the only real selling show I have ever attended."

"When I was invited down to Dallas, I thought it was just another regional show. My salesman couldn't believe they can do it for the price they charge," said Al Donahower of the Kimberton Co. Bill Miller, national sales manager for ProGroup, Inc., said, "It was good to get back to Texas, but it was better to do this type of

business."

Faucett and his association started their show in 1972 in cooperation with the local chapters of the PGA in Texas, and the pros have given their full support to the effort with their attendance and, obviously, with their buying.

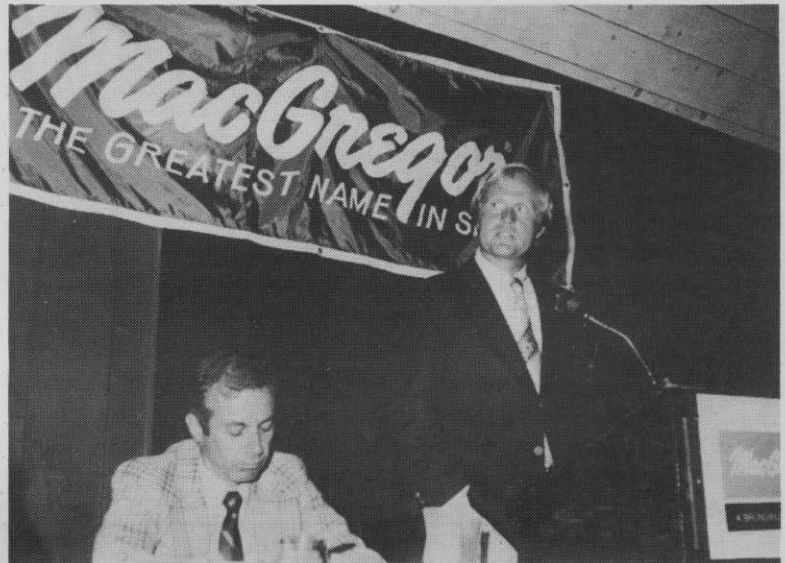
## MANAGEMENT

**'Talk to your pro' superintendents told**

"Communications is still the biggest problem in clubs today." Those were the words of Joe Black, pro at Brookhaven Country Club in Dallas and one of the most prominent club professionals in the Professional Golfers Association, as he spoke to the Northern Ohio and Central Ohio Golf Course Superintendents Associations recently.

A candidate in this year's PGA elections for national treasurer, Black told the gathered superintendents that talking about the day-to-day operation of a club was one of the best ways to stop problems before they start.

"Scheduling is an essential ingredient to running a club properly," the member of the GOLF BUSINESS editorial advisory board said. Admittedly, Black commented, there are club professionals not interested in being the friend of the superintendent, but the Texan felt this attitude was managerial suicide.



*MacGregor introduced its new golf products for 1977 at its annual sales meeting, including three different varieties of the Tourney ball, an enlarged selection of custom specialty clubs, and the Jack Nicklaus-inspired VIP golf clubs. Speakers at the awards banquet were General Manager Jack Curran and, naturally, Jack Nicklaus. Also in attendance were two other MacGregor pro staff advisors: Ben Crenshaw and Tom Weiskopf.*

Selling a program to a board is probably one of the areas where the club professional and the superintendent can cooperate most effectively, Black insisted. "What is good for the superintendent is in the end good for the professional and for the club."

Black elaborated on his public relations effort at Brookhaven with superintendent Quinton Johnson. "Both of us play with the members to find out what they really want. At first, Quinton didn't play golf, so I gave him a bunch of lessons, bought him a bag with his name on it, and got him to go out on the course. I think he has a whole different perspective from playing with the members."

Another thing Black elaborated on was the effort the PGA is putting into its educational program; he is convinced the organization has been doing a better job than the GCSAA in getting its members ready for other golf management positions.

Some controversy was sparked when several superintendents became involved in a heated discussion on the impact of the tour on the course superintendent, referring to Black's long-running involvement with rule interpretations on the tour. Some felt the TPD pros demanded too much from the superintendent and in turn

memberships were asking for the same near-perfect conditions — without keeping in mind the demands of heavy play, weather, and disease on the golf course.

## MARKET TRENDS

**Decrease in golfers reported in survey**

Golf ranks 14th in public popularity out of 27 sports surveyed by A. C. Nielsen Co. recently. Swimming, bicycling, fishing, camping, and bowling (in that order) are the most popular sports according to the report.

Projected figures from Nielsen for 1976 place the number of golfers at 16,568,000, a three percent decrease since the last study done, in 1973. That study included 23 of the 27 sports examined in 1976.

The survey was taken among 3,000 U.S. households, with the results being representative of the entire country. Tennis and snow skiing were reportedly the two fastest-growing recreations, with tennis ranked ninth at a 45 percent increase since 1973; skiing ranked 18th at a 42 percent increase.



*Planning was the key to the success of the 1976 SWPGSA show. Show committee members were (from left): Robert Anderson, ProGroup, Inc.; Eddie Connor, Spalding; Paul Hargrave, MacGregor; and Leon Faucett, chairman and association president. Unidentified male at right was not part of the committee.*