

**F**or the past three years, GCSAA officials have studied the idea of launching an e-commerce initiative in about the same fashion that a hungry Sylvester the Cat studies Tweety Bird up in his cage. They wanted it so badly they could taste it, but they couldn't quite figure out how to do it. Sufferin' succotash!

In April, GCSAA finally struck a deal with XS Turf, a new division of XS Ag, which is the acknowledged leader in online sales for farmers. The idea is to charge a 3-percent transaction fee on sales of chemical and fertilizer products traded over the GCSAA/XS platform — cleverly named the Golf SuperMarket. GCSAA and XS then divvy up the transaction fees in undisclosed shares.

But then, GCSAA and XS promptly delayed the “pilot” launch of the big, new GCSAA cyber-mall because they supposedly don't have sales tax issues and other details worked out. Ironically, those problems were “discovered” a couple of days after the key industry suppliers lambasted the whole idea during a meeting in Lawrence, Kan.

Why would those companies — the people who pay for the 85 percent of GCSAA's operations that aren't funded by dues — object to this concept? Let me count the ways:

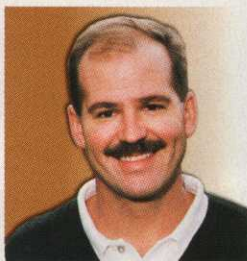
1. Times are already tough for many local distributors, and GCSAA's online sales effort threatens to further “disintermediate” them. “Disintermediate” is a fancy way of saying, “Cut out the middleman.” Remember that local dealers and reps aren't just the sales and service backbone of the industry — they also fund more than half the cost of chapter programs and services.

2. The association is also essentially competing with its own clients, particularly companies like Golfsat that invested heavily in association trade show space, magazine ads, etc.

3. Superintendents aren't exactly beating down the doors to buy things online. In *Golfdom's* independent study last year, only 3 percent of computer-using superintendents said they'd actually bought anything business-related on the 'Net, while more than 40 percent said there was no way they would buy anything online soon.

## The e-Association: Sufferin' Succotash

BY PAT JONES



GCSAA IS LOOKING FOR NEW BUCKS, AND (VOILA!) TRANSACTION FEES FROM E-COMMERCE SEEM TO OFFER NEW REVENUE

4. What, if anything, is member-driven about this idea? I'd be astounded if the words, “Gee, I wish I could buy a case of fungicide online through my professional association” ever once popped out of anyone's mouth. Isn't the role of the association to serve the needs of the members rather than to define — and then profit by — them?

That's what I'm hearing from the manufacturers, distributors and even some superintendents about this idea. Now, here's my take:

The association's intentions are honorable but misguided. But GCSAA has to pay for programs, initiatives and 120-plus staff members, and it's concerned about the possibility of trade show and magazine advertising revenues shrinking. They're looking for new bucks, and (Voila!) transaction fees from e-commerce seem to offer new revenue.

So, with this pilot venture, GCSAA is dipping its toes in the water to see if e-commerce might be the next big association money machine. The question is whether the association is willing to play a financial game of chicken with irritated suppliers, distributors and other “partners.” Personally, I doubt GCSAA will take that risk for 3 percent of an unknown but extremely dubious online market.

Don't get me wrong: GCSAA should be active in e-business. It should have a first-class Web site that allows members to pay registration fees, buy books and training materials, take online seminars and download useful tools. But when its e-business threatens to put your local supplier out of business, something isn't right.

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