

Cheap golf merchandise is bringing the pro's prices under suspicion; He has to counter this, fight for his customers with more advertising

Professionals throughout the United States have been shocked by baseless accusations of overcharging members for clubs, bags and balls. Complaining members cite as "proof" the advertisements that appear in some of the player magazines that the pros themselves have sold in their own shops.

These cut-price magazine ads have the usual "discount" deals, the "save-by-mail" invitations and the close-out come-ons to attract gullible people who hope to get something for nothing. Eventually, the golfer who buys the poor quality products that are advertised becomes educated. He learns that cheap golf stuff is not for the member of a good club anymore than cheap whiskey is what he expects his club to serve his guests and himself.

Why the Pro Has to Advertise

By HERB GRAFFIS

However, cut-price golf advertising has been going on for years and probably will continue as long as it makes a fast buck for some advertisers and publishers. It has cost pros their shop concessions in some instances, and until the facts are fully revealed, the advertising of cheap merchandise will keep professionals under the cloud of bilking their members.

The problem of the get-it-cheap advertising hits the pro first, usually when he is having a tough time trying to make a living at a club where there are members not altogether qualified to belong to good private clubs. The private club is a mutual enterprise and not something spun off by the welfare state. Not having a surplus of spending money is no blot on character, but neither does it indicate private golf club eligibility.

Officials who have the unpaid job of trying to run a club on a reasonably sound business basis also are severely handicapped by members who don't know how to be members. These people haven't been educated to contribute the financial support that is essential to a good private club.

Tipping Over Price Structure

The golf goods manufacturers are next in line to get hurt. The price structure in golf goods has to be balanced. Lower-price goods for newcomers and for people whose golf budget is limited constitute the quantity sector of the market. The quality sector is the pro part of the market which yields the largest revenue.

The 1963 Athletic Goods Manufacturers' census showed a reduction in the average price of golf clubs, indicating that the price-cutters are lowering the overall standards of the golf playing equipment market.

Obviously there is a pro, club official and manufacturer job of educating golfers so they will fully realize and appreciate what they are getting for their money in top quality playing equipment, expert service and convenience at the private club pro shop. It isn't only the newer members who need to be educated, but some older ones who could use refresher courses in what is expected of a golfer whose membership in a private club is supposed to be a benefit to the club.

Thousands of people who are highly desirable as golfers, and who account for heavy play at pay-play courses, need to save all the money they

PGA to Conduct Three Business Schools

PGA business schools will be conducted in January and February of 1965 in Clearwater, Fla., San Francisco, Calif. and Dallas, Tex.

The Florida school, in its ninth year, will be held in the Jack Tar Hotel in Clearwater, Jan. 18-22. The San Francisco school meets at the Jack Tar Hotel, Feb. 8-12, and the Dallas instruction sessions will be held at the Executive Inn, Feb. 22-26. Curriculums of all three schools have been generally standardized and consist of 40 hours of golf professional instruction.

More than 2,300 students have successfully completed the PGA schools in past years.

Persons who meet the attendance requirements of the three schools are given certificates. Those who successfully complete the winter school course are credited with one year toward a fifth and/or final year of experience which is required for full PGA membership.

Application forms for the 1965 schools have been mailed to all PGA members, apprentices and approved tournament players. Persons wishing to enroll must return their applications 10 days prior to the opening date of the school which they wish to attend.

can in buying golf equipment. They have to be sold on the fact that they get pro service with the purchase of golf equipment in a wide range of prices. When they become private club members, the private club professional certainly should welcome them and not drive them to buying from cut-price dealers. The pro also wants to protect his market against the damage of price-slashing advertising which offers few bargains in the final analysis.

Economics and Ethics Clash

Earl Stewart, Jr., Texas PGA president and professional at Oak Cliff CC, Dallas, remarks that when economics and ethics are involved, the right answer may not always be easy to find.

Pros whose economic position is based on competing with cut-price stores don't regard themselves as unethical if their prices take sales away from other pro shops. But pros who give a vast amount of free service and get standard price on top merchandise, say the price-cutters among them are destroying the pro's reputation for quality along with the quality market.

Advertising Gives Pro Protection

The efforts being made by price-cutters to come into the club market and take the pro's member purchasing away from his shop is going to be met by the strongest pro advertising that golf has seen. One reason for this is explained by a New York metropolitan district professional:

"The price-cutters advertise to take members' business and goodwill away from me," says this pro, "so I have to advertise to keep my members and their business with me. The competition has nothing more than cheap prices to offer. I have a good deal more to offer. This year, I began to tell my sales and service story through advertising. Next year, I plan to spend more in doing this. I have plenty to say."

Planning Pro Advertising

A recent survey made by GOLFDOM shows that many successful pros budget their advertising on the basis of from three to six per cent of their annual sales volume. A pro in Ohio points out that his tax accountant recommends that he spend more for advertising, showing him how in past years his investments in GOLF-

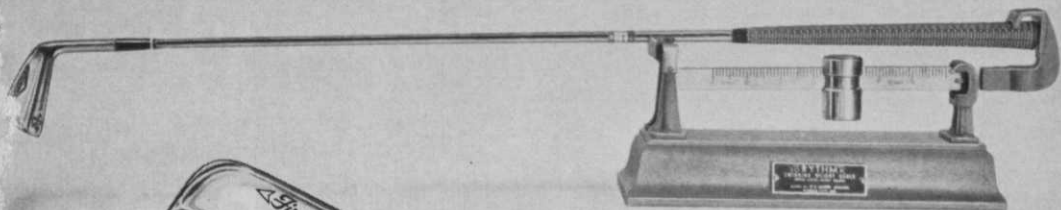
DOM'S "Christmas Shopping at Your Pro Shop" catalogs paid off.

Numerous professionals report that after the Christmas Shopping catalog, letters are the form of advertising used most frequently by them. "My letters aren't exactly the last word in advertising," says a Pennsylvania pro, "but they tell what new merchandise I have to offer, what should be good buys in the coming weeks and what my members ought to have. I always try to get in a couple members' names in the way of testimonials. That goes over very well."

Frequently, pros who are strong on advertising get the help of club members who are in the advertising business. One

(Continued on page 106)

First Flight[®]



PERFECT BALANCE

Make every club
in your set
feel and swing like
your favorite club.
Have First Flight
custom made to the
EXACT balance point
that suits you best!

Take a new look at the
smart new Hot-Z First Flight Bags
Famous for Quality for 100 Years



CUSTOM MADE TO ANY SPECIFICATIONS PRESCRIBED BY YOUR GOLF PROFESSIONAL AT NO EXTRA COST

First Flight Company CHATTANOOGA, TENNESSEE 37405

SOLD ONLY IN GOLF PROFESSIONAL SHOPS

On the Professional Side

There will always be arguments about the wisdom of showing cheap, repainted balls in a bowl on the counter of the pro shop, and top quality balls under glass, out of reach of the customer, sometimes out of sight and invariably without the prices displayed. Some pros have increased quality ball sales by displaying leading brands on the counter along with the repaints and price-marking all. Many of them say this kind of a display moves numerous borderline buyers to buy top quality balls in preference to the repaints.

Some semi-private and many shops display quality balls with signs advertising discounts on dozen-lot purchases. It is rare when pros at these locations cut prices on three- and four-pack quality balls. Most of the price cutting seems to be going on in stores where it is suspected that stolen balls are being retailed.

Hubby Habjan, pro at the Onwentsia Club in Lake Forest, Ill., kind of

shames adult players into not buying the repaint balls he has for sale. On the bowl in which he displays them he has a sign that reads: "For Juniors—50 cents."

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In many cases a pro shop's shoe profit for the entire season is tied up in shoes that are left over at the end of the year . . . It isn't a bad idea to literally memorize the sizes of shoes you have on hand so that you can seize every opportunity to sell them to players who may be interested in them . . . Some firms permit unsold shoes to be returned, but keep in mind that it costs approximately \$2 to return one pair of shoes.

• • •

This has been brought to your attention before, but it's worth repeating . . . Supermarket officials like to have their customers see red — but only as a color on point of purchase displays. A study made by Audits & Surveys emphasizes this. The next three most important

colors are blue, green and yellow. White doesn't seem to get much distance. Most supermarket merchandisers prefer single color displays to those in which combinations are used, but if you insist on combinations, use red and blue. They seem to carry the most punch.

• • •

If merchandise certificates rather than actual merchandise are offered as prizes in club tournaments it should be stipulated that the face value of the certificates (or some portion of them, such as 60 or 70 per cent) can't be applied to members' bills . . . Pros who have permitted this have soon withdrawn the privilege because it has dawned on them that it doesn't actually move merchandise . . . More and more pros are getting away from making wooden tees freely available . . . "Make them ask for them," is the latest watchword in quite a few shops . . . The reasoning is that the player feels more obligated if he

PAR AIDE TEE AND GREENS EQUIPMENT...

**A
HOLE-
IN-ONE**

WHEREVER
GOLF IS PLAYED...



FOR DETAILED INFORMATION WRITE FOR CATALOG

PAR AIDE PRODUCTS COMPANY
296 NORTH PASCAL STREET • ST. PAUL, MINNESOTA 55104

DEPT. G

has to ask for the tees than if they are put out where he can dip in and pick them up . . . Too, it gives the pro a chance to suggest a package of golf balls.

. . .

If you begrudge giving a merchandise prize for a club tournament to somebody who never has patronized your shop, try not to show it. Jump at the opportunity to sell the person an item that can go along with the prize, such as a pair of slacks with a free shirt. More than one golfer has started to patronize his shop after winning a merchandise prize.

. . .

Some pros may take a detached view of the condition of the lockerroom and its size, figuring these are things that other people should worry about. But if his clubhouse is going to be rebuilt or remodeled, perhaps the pro should campaign for bigger and better locker facilities. Maybe he should do this even if no improvements are planned. Golfdom recently checked with a half dozen pros whose clubs have recently enlarged their lockerrooms through remodeling or rebuilding programs. All agreed that it has been good for business. The reason: Members buy more sportswear when they have larger lockers in which to store clothing.

. . .

The Pro-Juniorized club campaign has been responsible for Fawick Flexi-Grip o., Box 111C, Akron, O., making a Golf Pride Traction Action grip for readily adapting cut-down trade-ins to youngsters. Pros and assistants at most clubs will have plenty of time for Pro Juniorizing trade-in clubs during the next two months and building a new source of revenue.

. . .

Maybe this shouldn't be mentioned in sedate circles, but pro shops that handle panty girdles usually sell a respectable number of them. We haven't heard of any pro being so bold as to suggest them to his women players, but if you do employ a saleslady she can oversee the sale of these intimate items.



Brunswick photo

Playing on A Male Weakness

Ken Weiler (center), Park Ridge (Ill.) CC professional has increased bag sales in his shop this year by nearly 40 per cent by playing on a weakness that most male golfers probably will confess they have — a desire to be identified with the circuit professionals. Weiler offers to imprint the name of the buyer on any of the more expensive bags he sells, and there has been quite a large number of takers among men players at his club. He got the idea while attending a PGA tournament, noting, of course, that all the bigtime stars have their names emblazoned on their bags.

The customer has to wait only about one week to have his bag lettered and the small charge connected with it is absorbed by Weiler. He doesn't extend the imprinting service to people who own older bags. The lettering service also is offered to persons who buy Carryalls, but to date this hasn't caught on. Players who have their bags lettered, according to the Park Ridge shopmaster, have to endure a little kidding about "going professional", but they have one good comeback — if there are 30 or 40 bags on the first tee, they aren't delayed in deciding which bag belongs to them. Shown with Weiler are two of his members, Jack O'Grady (1) and Paul Ehlers.

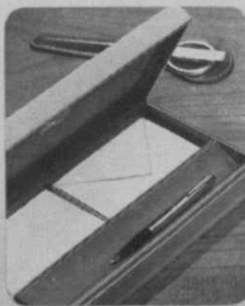
A new and bigger 1964 desk caddy from Dunlop... to sell more MAXFLI Christmas Gifts

Holds almost everything golfers use on office desk, dresser top or coffee table. Rich red cover with embossed gold trim fits the furnishings of home or office. The big, bright, Dunlop Desk Caddy is a gift box, counter display and colorful way to sell twelve of the best golf balls ever made... Maxfli.



Sports Division
500 Fifth Avenue
New York, N.Y. 10036

Desk Caddies are available in both dozen and half-dozen sizes. Your golfer's name on each Maxfli bought in dozens, on request. Your golfer's will be seeing the big, red Maxfli Christmas Desk Caddy in their favorite golf magazines... so order now. (If any of your golfers order directly from us, the credit is yours, of course.)



WORKING RECORDS

In spite of what you may have heard to the contrary, you can run a better business if you do it by the books

By JACK HASKETT

You probably don't relish the job of keeping records. The task can be time consuming. Results won't appear overnight. Record keeping itself won't help you to make management decisions, cut costs, or boost profits. With accurate records, however, you'll be able to do a better job in all these areas in less time and with less effort.

Aside from the obvious demands of various government agencies for complete records, you need a good set of books to tell you where you've been, where you're going.

Sometimes an over zealous pro (or his wife) will develop a system which is too grandiose. A certified public accountant, who handles many golf club accounts, has pointed out the dangers of this:

"Bookkeeping systems should be just complete enough to do the job required," he says. "Anything more complex than it absolutely needs to be costs extra money, takes extra time, and many times fouls up the communication process, the real reason for having records in the first place."

You should keep records in these areas:

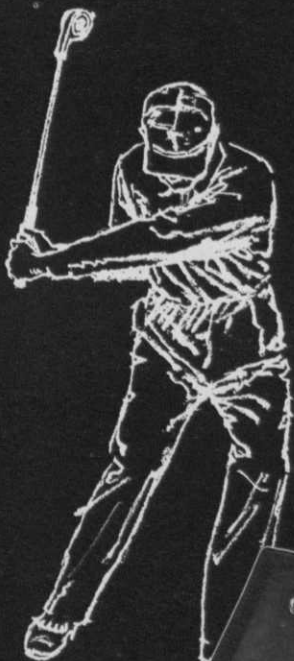
1. Of prime importance is general management. A close tab must be kept on administrative expenses, for unchecked they can pull a pro shop operation down into the red ink. And the quality of your buying is important. Are you buying in the right quantities, at the right prices, and at the most appropriate times?

Where Is the Profit?

2. Sales are of vital importance. Which product lines are selling best, and which are returning the highest profits? Is one assistant doing a better sales job than another? Are inferior products causing too many sales returns and, at the same time, damaging your shop's reputation?

3. If you, and not the club, are handling the billing, how is your credit system shaping up? Are your credit policies too strict or too lenient? When the end of the year comes around, are your losses from bad debts going to amount to practically nil? They should in your business.

Some pros and managers regard discounts on purchases as trifles, but the effective interest rates which you'll pay if you don't take all available discounts can be tremendous. For example, if you



FREE! \$3.75

PRACTICE HEAD COVER WITH PURCHASE OF 12 PGA RYDER CUP BALLS!



It's a real Swinger of a gift!

The PGA Swinger is a specially weighted head cover, transforms any wood into a training club. Swing it during spare moments, even while out on the course. It will help keep your muscles in tune. It might even calm seething frustrations during those dull, golfless winter days!

For the swingiest gift of them all, give the PGA Swinger Dozen. You pay just \$14.75 for a round dozen of PGA Ryder Cup Golf Balls. You get the \$3.75 PGA Swinger plus the smart gift box free! Available only at your pro shop, of course. (He knows a good thing, too!)



PGA GOLF EQUIPMENT CO.  8350 N. LEHIGH AVE., MORTON GROVE, ILL.
Subsidiary of Victor Comptometer Corporation.

buy golf balls and clubs on terms of "2%, 10 days, net 20 days", you will be paying an annual effective rate of 72 per cent if you don't take the discount.

Use the Accordion

A simple method to insure that all possible discounts are taken is to purchase an accordion-style folder (for about a dollar) with a slot for each day of the month. When bills are approved for pay-



ment, just drop them into the slot of the appropriate discount day.

Larger shops need more extensive records than smaller ones, of course, but any pro can function effectively with the following records. As your shop expands it's a simple matter to add more details.

General ledger: There should be a separate account (a ruled page is all that's necessary) for each major asset, liability, income, and expense.

Cash disbursements journal: All outgoing cash and checks are entered here. Some shops use a petty cash system for minor sums.

Cash receipts journal: Every receipt—no matter how small—should be entered here as soon as possible after its receipt.

Sales summary: Sales should be broken down by product line, sales clerk, or cash register.

Accounts payable journal: How much do you owe, to whom, for what? The best credit rating you can earn is "prompt". But why pay bills in advance of the due or discount date? You can use the money better in the business.

Accounts receivable journal: It is vital that you know who owes you, what, and for what.

Records for Decisions

With these basic records you will have all the information you require for sound

decisions. Some data is collected monthly. Other information, because of the time and effort required to obtain it, is gathered at less frequent intervals.

Monthly Data

Here is the data you will be able to obtain each month:

1. **Cash on hand and in bank.**
2. **Accounts receivable,** with overdue accounts clearly marked. Some pros stick gummed stickers of different colors on account cards to denote accounts which are current and which are not.
3. **Accounts payable:** Bills should be clearly segregated so that those offering discounts are not overlooked.
4. **Returned sales:** Break down by product line.
5. **Purchases,** including freight-in costs.
6. **Operating expenses,** for current expenses such as wages, commissions, advertising, etc.

Six-Month Data

Due to the costs of compiling you will ordinarily only collect this information every six months or year:

Inventory value: Figure at the lower cost—what you paid for merchandise or



current market price. If the price of golf bags has dropped, there's no point in deluding yourself that your inventory has more value than it actually has.

Accounts receivable, physically separated into those which are current, and those overdue 30, 60, 90, or more, days. Credit experts say that an account overdue 90 days is worth about 82 cents on the dollar. One overdue 6 months is worth just 59 cents.

Bad debts: If you are realistic most of your accounts past due over six months will go here. The chances of collecting in

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