

A panel of industry experts--Mike Clinton, of GolfTec; Chuck Garbedian, a Golfsmith merchandise manager; Jon Last of Sports & Leisure Research Group; and Tom Stine of Golf DataTech; plus SI senior writer Gary Van Sickle--answer the biggest questions.

State of the Union

Van Sickle: We haven't seen a golf recession like this in our lifetime. Is this the end of golf as we know it?

Garbedian: No, it's the beginning of golf in a whole new dimension, especially with the Internet and social media and the way you can expose products, golfers and their personalities. Courses have an opportunity to reach customers in all kinds of new ways.

Stine: I agree. There's a direct connection between the economy going down and golf's decline. If the economy truly is going the other way now, I don't see any reason why golf won't rise with it.

Clinton: Things are improving. Besides, there was nowhere to go but up.

Last: We just finished a large study of golfers that shows they still want to play more. However, we see a pretty strong hangover of skepticism about how robustly the economy will bounce back.

Stine: I was in Carlsbad recently, and going into a new year everyone has a certain amount of optimism. Buying equipment has become more complex, with more choices, and I believe that the technological innovation and a big push toward custom club-fitting are going to create opportunities.

Garbedian: Look at the new adjustable drivers, like the [Titleist 910](#) and the [TaylorMade R11](#). You can dial them in to fit you. Just pop in a new shaft or adjust the hosel and the head configuration. So when a guy buys an adjustable driver, hits it well and tells his buddies about it, that becomes word-of-mouth buzz that spreads optimism.

Last: Technology is a double-edged sword. You have such a proliferation of choices, and except for the most skilled and engaged golfers, it can be tough for the average golfer to keep up. That's why we're so bullish about club-fitting. Our research shows that a relatively small percentage of recent purchases were custom-fit, but those who were fit are playing markedly better and enjoying the game more than those who weren't.

Stine: Technology will continue to improve. Technology has been evolving every year pretty much since Gary [Adams](#) popularized the metal wood [in 1979].

Garbedian: It's a technologically innovative age, and everything gets dragged along with the high end. Even beginner sets now are better than some premium sets of only a few years ago.

Van Sickle: It's too bad that we're in a virtual golden age of technology, where equipment has never been better, yet we're working our way out of this recession.

Stine: The good news is, our numbers show that in virtually every category, sales have hit bottom and started to rise. It will simply take some time.

Attention, Shoppers

Van Sickle: John mentioned keeping up with the innovations. Companies roll out new products almost every 18 months. It isn't easy to keep up.

Stine: I don't think there will ever be an end to technological advancements, whether we're talking golf clubs, cars, apparel or computers. That's the way of the world. In computers 18 months is forever. People don't realize how much money the golf companies spend on R&D and how far out they're working on new products. The products they're launching this spring are things they've been working on for a couple of years.

Last: In some consumer research we did a year ago, we learned that about a third of new purchases involve a phenomenon I call Constant Shoppers. Men's shopping habits are usually different from women's, but when it comes to golf equipment, we shop like our wives. That's a tribute to the industry's improved marketing.

Garbedian: At Golfsmith, we offer a 90-90 program during the summer. Purchase a new driver, bring it back for any reason before 90 days and get 90% of your money back. It's almost like leasing the club. With programs like that and the adjustable drivers, consumers have more avenues than ever to get the right club on the first, second or even third try.

Clinton: The fitting component is the key. There are tremendous benefits in what the big manufacturers are bringing out—the adjustability, lighter clubs, more shafts, amazing hybrids, even putter fitting. The equipment is close to maxing out to the legal limits. So where can the player find an advantage? It's in figuring out the right club setup out of hundreds of possibilities. The magic is in the fitting.

Van Sickle: Golfers never tire of trying new gear. I love demo days.

Stine: Fishermen and hunters are the same way. A fisherman will never walk through a tackle shop without looking at the lures, even though he's seen it all before. Just like us, he always wants to check out what's new in case something catches his eye.

Vanishing Courses

Van Sickle: A discouraging trend we've seen is courses going out of business.

Stine: A large number of courses that closed were real estate driven. They weren't built because the community needed another golf course. They were built as an amenity for that real estate development to bump up the home prices with no thought of who was going to support the course after the houses were sold.

Van Sickle: Do developers simply think golf is a way to sell stuff?

Stine: For a while, it was. It was a nice perk to buy a new house, finance 110% and get a club membership. Then the club closes, and golf gets a black eye for a course that shouldn't have been built in the first place.

Last: We saw a surge in course development for a long time, but it was the wrong type of development. So many courses built became these high-end monuments—country-club for a day. At the same time there was heightened interest in golf, but because of this high-priced infrastructure, potential new players were scared off.

Clinton: It's capitalism at work. Sometimes the land gets too valuable, and putting up an office tower or a batch of condos is always going to trump the amount of money you can make running a golf course.

Last: The industry also miscalculated over the last 25 years. The baby boomers were reaching those peak years when people traditionally play a lot of golf, and everyone assumed those trends would continue. Except the value structure of these people was different from those who came before. I have new data that show a sizable minority of country club members expressing strong concerns about the financial viability of their clubs.

Clinton: Private clubs have to reshape themselves, no doubt.

Last: If you focus on the values of the fortysomethings—I call them the sandwich generation because they're not quite boomers and not quite Gen-Xers. They have a well-documented child-centricity. In the past you made a decision to join a private club. Now it's a choice between that or maybe investing in something for your child's future.

Garbedian: It comes down to the need and the want. What do you need versus what do you want? Everyone wants to play more golf, but if you're looking at \$40 or \$60 or \$100 a round, you have to decide if you need to spend that money elsewhere. If you join a club and buy into the whole atmosphere of being part of something—the pool, tennis courts, the social events—yeah, you'd better be prepared to spend a lot of time there.

Van Sickle: It's more difficult to find time for 18 holes than it used to be. A lot of our jobs have changed, and we're on call 24/7.

Garbedian: You can't disappear anymore. With cellphones, they can always find you. **What Will Happen to Acushnet?**

Van Sickle: [Titleist](#)/FootJoy, an icon in the industry, is on the market. Should we be concerned?

Stine: [Titleist](#)'s being up for sale has nothing to do with the economy. That's a situation related to their holding company.

Last: Yes, [Titleist](#)'s situation is a function of how the golf industry has become more tied to a fiduciary responsibility to shareholders, like every other business.

Garbedian: It'll be interesting to see what happens. What does this all mean to [wedgemaker] Bob Vokey and [putter-maker] Scotty Cameron? There have been rumblings that Cameron could go [elsewhere](#)—maybe [TaylorMade](#), [Nike](#), [Mizuno](#) or anywhere—or he might hang out his own shingle. There's no question that associating with [Titleist](#), like Vokey and Cameron have done, gives you an awful lot of name recognition. Does breaking up make [Titleist](#) a better company? It probably makes them a more efficient and streamlined company, but I don't know if that makes them more viable or visible. Maybe revenues don't necessarily increase.

Van Sickle: A sale isn't going to affect [Titleist](#)'s position as the industry leader in the ball category, is it?

Garbedian: Not at all. That's really what they're based on.

Clinton: I have to believe that people are going to continue to buy [Titleist](#) balls regardless of who owns the company.

Garbedian: People come into our store looking for the Pro V1 and Pro V1x, but to be honest, [Titleist's](#) new 910 driver is probably the best one they've ever done, at least since the 975. The hybrids and the fairway woods with the same adjustability are equally good. Everyone knows Vokey's reputation for wedges, and you wouldn't associate Cameron with anyone else but [Titleist](#), so it'll be interesting to see how it all shakes out. The [Cobra](#) deal wasn't a shock. Long-term, I don't think a sale hurts [Titleist](#) at all.

Coming Attractions

Van Sickle: The game isn't growing, playerwise. Some key problems are that newcomers find golf too difficult, too expensive and too slow. What can we do?

Last: For years the untapped sector has been women. A year ago we did a large study and came up with some ideas to improve accessibility for women. For one, not enough courses have reasonably positioned forward tees. We have a lot of new players trying the product, but the game doesn't retain them and that's a shame.

Clinton: Exactly. For years we've been hard-pressed to change the number of golfers in America, and we have to do that in order to get any significant, lasting increase in rounds played or equipment sales.

Last: Ski resorts have had child-care facilities for years. If some golf courses had them, women might be more likely to play, and the child could possibly be introduced to the game there. Of the women who played golf but gave it up, our study showed that 62% had kids at home. The women with families had less opportunity to play.

Garbedian: It should be women and children first to expand the game, even if it's not in traditional ways-three-hole rounds, six-hole rounds, nine-hole rounds. Golf courses with unused tee times need to make it easier for women and kids. When I was a kid, I went to a course in the morning, played golf all day and came home at dark. I don't know any courses where that still happens.

Stine: If you owned a golf course, would you want someone to drop their kid off for the whole day?

Garbedian: Probably not, but I'm not talking about straight babysitting. I'm talking about programs to teach juniors how to play and get them on the course so they catch the spark and stay interested in golf instead of sitting in front of a computer game.

Stine: That's what the PGA of America's Play Golf America program is designed to do. It's been somewhat successful, but it's still fairly new. It comes down to each golf facility. If a course doesn't embrace a new-player program, it probably won't get many new players.

Clinton: As John's data showed, if you play better, you play more. Golf is a hard game and it takes a significant amount of time, practice and good instruction to get better. There's where we're lacking as an industry. Our mission at GolfTEC is to help players get good at golf, which helps keep them in the game.

Finding a Groove

Van Sickle: How did the new grooves rules affect the industry in 2010?

Stine: I guess the USGA thought it was worth the trouble, but I'd guess fewer than 1% of golfers in the U.S. thought so. All it did was raise questions and cause confusion. But that confusion did generate sales because *wedges* were the buzzword of 2010.

Garbedian: Customers wanted to know how long the old grooves were good for, and I'd tell them 2024. They'd say, Hey, we may not even be playing then. So it wasn't an issue. The grooves rule certainly drove sales of wedges.

Stine: A lot of players bought new wedges and maybe weren't even sure why. You also saw golfers stocking up on the old models so they can play with square grooves for a long time.

Clinton: At any course on a given Saturday morning, how many people play strictly by the Rules of Golf or even care? The difference in the spin between the old and new grooves-maybe 100 rpm-is something the average player would never notice.

One Thing

Van Sickle: Give me one reason to be excited about 2011.

Clinton: Every golfer loves ripping a big drive. It's what keeps them coming back, and there are a lot of new drivers coming out-the [TaylorMade R11](#), the lightweight [Cleveland](#) driver, the [Titleist 910](#). [Adams](#), [Callaway](#), [Mizuno](#) and [Ping](#) always bring out good stuff too. So this should be a good year.

Last: We have a wave of foreign players who have reached parity with our American stars, there are good young players, and if Mr. Woods is back in form, that spells excitement.

Garbedian: Watching golf on TV from the West Coast between snow-shoveling sessions means another exciting season is on the way.

Stine: The economy is going to get better, and I hope to play more.

Van Sickle: We're going to play the best golf of our lives this year, right?

Stine: I don't know about that. I just hope it's the *most* golf I've ever played.

Van Sickle: Gentlemen, I think we have a winner.