

George Lopez, the New King of Swing By Debbie Waitkus, Golf for Cause®

If you attended a UPS convention, what color suits do you suppose the attendees might wear? (Pat yourself on the back if you

shouted out "brown.") How about IBM? (blue).

What about the golf industry?? You might think green. But, no. Just like IBM, they go for the blue jackets, but



with khaki pants and white shirts.

Imagine that you're in a ballroom filled with 300 "blue jackets." You're at the Tribute Dinner ceremony honoring the five new inductees to the World Golf Hall of Fame. If you think golf has rules and protocols on the golf course, try having a formal dinner with the people who live, eat and breathe them for a living!

As the dinner proceeds, your emcee for the evening hops up to the podium, George Lopez (<u>www.georgelopez.com</u>). George is a comedian and the new host of the Bob Hope Chrysler Classic golf tournament.

As your emcee for the dinner he begins by telling you the importance of golf equipment and his personal introduction to the game. You see, his grandfather started him out with a 7-iron in the backyard. It's what you would grab when you heard a noise.

In your ballroom with the sea of blue jackets, there are a few chuckles and a whole lot of eyebrows raised around the room. George is not part of the traditional fabric of the world of golf. He is the future of golf – perhaps the savior. He's a poster child to show that golf has evolved from a private club game to one that is played by the masses.

The National Golf Foundation (NGF) states that golf is a \$62 billion industry in the United States, an amount larger than the recording and motion picture industries. According to a study by The Golf Industry Association in Arizona, \$3.4 billion of that figures is generated in the state of Arizona.

In Arizona, whether or not you play golf, the sport impacts you because golf is not only great for the state's economy, but also for the environment.

Some facts from a 2005 study by the Golf Course Superintendents Association:

- Space Utilization The average golf course is 125-150 acres. Arizona has a focus of controlled growth which includes open green space. courses facilitate accomplishing that goal.
- There are just over 100 "degraded" golf course sites in the United States. An example of a degraded property would be on that sits on top of a land fill.

- Cooling effect If you have a golf course in your neighborhood (and this is great Phoenix), the temperature is 5-7 degrees cooler on the course in residential areas and 7-15 degrees cooler in commercial areas.
- <u>Filtering effect</u> Golf courses promote 13 million tons of dust and pollen to be filtered from our air.
- Oxygen production Golf courses produce enough oxygen for 51 million people nationwide annually. That's approximately 1/6 of the entire population in the United States.

Golf contributes to our economy and our ecology. However the news shared at the Golf 20/20 conference this past October, where you imagined you were sitting at the Tribute Dinner with George Lopez as your emcee, was relatively dismal- the golf industry has hit a plateau.

The NGF reported a 12.9% golf participation rate – that's just over 30 million golfers. But the NGF expects participation rates to decrease as we approach 2025.

Here are some contributing factors:

Population Growth - The majority of the population increase in the United States is in the Hispanic segment — 62%. The NGF reports that the Hispanic population, as a group, has a participation rate in golf of 4.3%. That's 1/3 of the current 12.9% rate cited above.

Supply – According to the NGF, golf course growth rate in the US is 0% and the NGF anticipates it will remain this way for 5-7 years. North of the border in Canada, there

are 2,000 golf courses, 1 for every 15,000 people. There's an oversupply in Canada. Rounds are flat there, too.

Rounds of Golf – The NGF reported that golf courses averaged 33,000 rounds of golf per year in 2005. The average number of rounds in 1990 was 40,000.

Equipment Sales - In a 2005 study by Golf Data Tech, equipment sales in the United States at on-course facilities and off-course stores are relatively flat. The on-course statistic makes sense. If rounds of golf are down, there are fewer people in the club house buying golf gloves, balls, etc. The last ten years have shown minimal increases, due to price increases rather than increased number of sales. There is one shining star, however, with equipment sales. Hybrid clubs have contributed to a 13% increase in wood sales.

With the news reported at the Golf 20/20 conference, golf industry leaders have opened their eyes. There are opportunities to reach new target markets to try new strategies. The leaders realize that they can't keep catering to those who already drink the Kool-Aide. Their eyes have turned to the corporate juniors, women, golf lessons/leagues, Hispanic communities, international, even fan based and participation through the Fed-Ex Cup.

Juniors - If you look at the Juniors segment, the results are promising. The First Tee (<u>www.firsttee.org</u>) strives "impact the lives of young people by providing learning facilities, and educational promote programs that character development and life enhancing values through the game of golf." The program teaches children nine "core values:" honesty, integrity, sportsmanship, respect, confidence, responsibility, perseverance, courtesy, and judgment.

The First Tee National School Program delivers the golf curriculum through the physical education classes right in their schools. What better way than to expose children to golf in their school environment? Today's youth is learning about golf along with kickball, basketball, softball and relay races.

In 2003, a survey of First Tee participants' parents by University of Virginia and University of Nevada, Las Vegas yielded the following results:

- 76% noticed increased confidence in their children
- 74% increased responsibility and communication skills
- 52% increased grades

Whether or not the children stick with the game of golf, the life lessons and principles they've learned through the program are invaluable. Yet, the odds of learning a game at a young age hold promise that they'll continue to play and/or come back to the game in later years.

Women - The PGA is also targeting women. Right now, according to the NGF, only 6% of the female population in the United States plays golf. Initiatives targeting women are receiving more recognition and industry support than in the past. Companies like Golf for Cause (<u>www.golforcause.com</u>) and the Executive Women's Golf Association (www.ewga.com) continue to offer nontraditional, golf programs that are welcoming Suzy Whaley is the national to women. spokesperson for Women's Golf Week -June 2-9, 2007, an initiative that encourages facilities throughout the United States to offer creative programs for women to get involved in the game. The key, as with anything else, is the follow through, offering next steps for support and involvement.

Hispanic Communities- The overall population growth rate in the United States and the significant Hispanic proportion mentioned above is cause for the industry to target Hispanic communities. Golf has already embraced the colorful George Lopez. According to Adam Schupak in the November 11, 2006 issue of Golf Week Magazine, "many are hoping his involvement could help boost Hispanic participation in the sport."

International - China understands the value that golf brings to business. Xiamen University joins a growing number of Chinese schools offering golf lessons, but is unusual in making them a required class. The university is requiring law and business students to take golf lessons to prepare them for a business world where deals are made on the links.

Golf is a sport that is also an industry. And it has hit a plateau. Golf benefits our economy and environment, teaches great life lessons to our children, plus it's a healthy social and/or business activity.

Let's come back to the Tribute Dinner where you're sitting among the blue jackets. Although George tells us that he's going to Mexico right after the event — as part of President Bush's Guest/Worker program, we hope he stays. His presence makes it clear that the industry leaders of this game built on tradition are shaking it up — taking a new look.

After the dinner, I invite you to bring George home with you. What is it in your business life or your personal life that's hit a plateau and needs some shaking up? Look at your opportunities. Consider changing your

jacket or just opening a few buttons. Focus on the target, take a swing, follow through, and $turn\ golf\ into\ gold.$

Debbie Waitkus a business-golf consultant, speaker and trainer, is the owner and founder of Golf for Cause[®], LLC. She speaks to groups and stages creative golf programs, especially for women, to help them leverage golf for business at any skill level. "Turn golf into gold." Debbie can be reached at dwaitkus@golfforcause.com or 602.722.3605.