

ANNUAL REPORT 2011



PGA™

CELEBRATING 95 YEARS





The future of golf is embedded in today's PGA Professionals — our men and women who work diligently to improve the experience for existing golfers and to attract new generations of participants. This perseverance of PGA Professionals has helped the golf industry to stay afloat in these difficult economic times.

The PGA of America, allied associations and private industry recognize the necessity to fuel more growth in golf, and have taken steps to address this issue. The resulting initiative, Golf 2.0, is the prescription for an immediate boost and significant long-term growth in American golfers. Industry leaders agree that The PGA of America should take the point in this game-changing project.

PGA Professionals are the center of the golf universe. We are uniquely positioned to interact with consumers, employers, club managers, committee members, superintendents, manufacturers and media. Our relationships with members of these groups, singularly and collectively, are needed to recapture the vibrancy of golf as we knew it just a few years ago.

Golf 2.0 incorporates three prime strategies:

- Retain and strengthen the core of current golfers
- Engage lapsed golfers who no longer play
- Drive new players to the game

As the initial point of contact with existing, lapsed and future golfers, PGA Professionals and our staffs are the key to opening the welcoming door of golf—and holding it open. More than any other time in history, it is incumbent upon PGA Professionals to make golf an enjoyable experience for everyone: men, women, children, families and minorities.

The PGA of America recognizes that this paradigm shift will not happen with the wave of a magic wand. The PGA Education program is being revamped to incorporate the necessary tools to achieve success, and other golf organizations are taking similar steps in this transformational initiative. Yet as the hub of golf's perpetual wheel, Golf 2.0 starts with PGA Professionals. It is our responsibility as the caretakers of the game to embrace everyone associated with our respective facilities and work to develop more golfers.

Golf 2.0 represents a revised approach to the planning, introduction and nurturing of golfers in this necessary revitalization of our industry in the 21st century. PGA Professionals are empowered to take the lead in Golf 2.0 as we are the conduits for the success of the game. Golf 2.0 ensures the legacy of PGA Professionals and The PGA as the perpetual beacon that illuminates golf's fairways and greens today and for generations to come.

Sincerely,

Allen Wronowski, PGA
President

Ted Bishop, PGA
Vice President

Derek Sprague, PGA
Secretary

Jim Remy, PGA
Honorary President

By now it is clear to virtually all of us in golf that there is a new normal in American households and that golf is not immune to the effects of the Great Recession. The wounds of the financial crisis are lingering, home values have dropped substantially and much greater priority is being given to the expenditures of family time and money. A new edition of golf – like a next generation of computer software – is needed to build off the 100-year foundation of the game in America, with new features that address the “pain points” of modern families.

I believe Golf 2.0 is our industry’s answer to this fundamental change in how Americans behave and spend their time and money.

In 2011 I addressed thousands of PGA Professionals and industry leaders in more than two dozen meetings about the challenges golf would face in the years ahead and reviewed the fact-based approach which Boston Consulting Group used to study our industry. I am pleased to report that while many found the study “sobering”, the acknowledgment that golf needed to change was virtually unanimous.

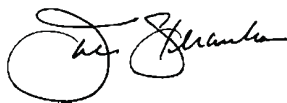
My discussions also confirmed that the industry sees The PGA of America, with our national resources and 27,000-strong grassroots leaders in the game and business of golf, as the most critical part of this plan to make the game more relevant to more Americans.

But now the hard work begins. Golf is well entrenched in tradition and enjoyed decades where golfers told us what they wanted, how much they would buy, and paid premium prices. Today our nation’s golf courses are coming to grips with the fact that our businesses need to know how many total customers we have, not simply rounds played. We must not only maintain, but utilize database management and marketing to deliver advanced, modern service levels and know how our customer base is changing. We must learn how to “Speak Female”, to “Habla Espanol” and connect with the cultural heritage of Black History Month if we are going to expand the relevance of our game to the five of six households that does not have a golfer in residence today.

We are fortunate to have great assets on which to fund and conduct new Golf 2.0 initiatives. The FY 2012 budget contains \$5 million of new spending to provide such new services as Regional Player Development Managers and social media marketing campaigns. The strength of our membership, our brand and our championship events provides a stable financial foundation at this critical time for the golf industry.

Thank you for your continued support as our effort to sustain the present and future of golf takes shape.

Sincerely,



Joe Steranka
Chief Executive Officer,
PGA Honorary Member



THE Game OF GOLF

The PGA of America's ongoing mission of promoting golf embraces the men, women and children who flock to public and private facilities every day. From the serious tournament competitor to the weekend player, from the scratch golfer to the neophyte, PGA Professionals provide expert instruction for every level of the game.

The PGA in 2011 unveiled a new industry-wide strategic plan entitled Golf 2.0, with the goal to increase participation in the game by the year 2020. With the full support of all major organizations in the game, Golf 2.0 employs three core strategies to ensure future propagation of golf:

- Retain and strengthen the golfing core
- Engage “lapsed” golfers
- Drive new players to the game

This strategic blueprint for the game begins with existing golfers. Through PGA Professionals and their facilities getting to know their customers better, and nurturing their current golfers, there exists a significant opportunity to increase rounds played.

Part two is to target the “lapsed” golfers who once played the game, and in doing so, recognize the influence of women, particularly as they pertain to the family unit. On- and off-course golf and “near-golf” experiences, including electronic versions of the game, are among the opportunities for attracting some of the estimated 61 million Americans who describe themselves as lapsed golfers back to the game.

The PGA extended its reach to the nation's youth in many ways in 2011, including through a partnership with the Notah Begay III Foundation, a non-profit that bears the name of the Native American and four-time PGA Tour winner.





Driving new players to the game is the third component of Golf 2.0. With an estimated 84 percent of U.S. households lacking a golfer, there is a substantial opportunity to engage more golfers, especially minority groups such as African-Americans and Latinos, as well as others who have expressed interest in playing but have not yet taken the leap.

More than 1,800 golf facilities registered to offer the Get Golf Ready program in 2011.

When addressing barriers to the game, the value offered by golf cannot be emphasized enough to help overcome the misconception that golf is expensive. Hands-on research with focus groups reveals that consumers perceive that the cost of golf is two to three times the actual expense. Golf 2.0's response is to educate former, new and future golfers that there are a variety of less-costly options available for them to enjoy our game.

Driving this consumer education process are PGA Professionals, who are the hub of Golf 2.0 because of their relationships and interaction with consumers, employers, allied professionals, media and manufacturers. In 2011, The PGA began modifying its education program to help PGA Professionals fully understand the industry's collaborative approach to grow the game through Golf 2.0. Educating PGA Professionals is the first step in educating the industry, which enables allied organizations to work toward common goals.

As the industry embarks on Golf 2.0 in the collective quest to develop new generations of golfers, PGA Professionals continue to work with people of all levels and abilities.

Get Golf Ready, a cost-effective introductory program, is the mainstay of current PGA Player Development efforts. There were 1,838 facilities who registered to offer the program in 2011, and the success of Get Golf Ready nationally has enlisted the strong support of several golf management organizations. Billy Casper Golf and the TPC network of courses, for example, have incorporated Get Golf Ready into their on-site developmental programs at some 150 golf facilities.



PGA Partners also actively promoted Get Golf Ready. Some 400 branches of Royal Bank of Canada (RBC) encouraged their customers to join the ranks of golfers by going online to PGA.com for specific information on the program. RBC also provided Get Golf Ready certificates at local courses. Turner Broadcasting successfully encouraged some 100 female employees to try golf through a Get Golf Ready program near their Atlanta headquarters.

The option of extending Women's Golf Month beyond June appeared to be popular with PGA Professional-staffed facilities in 2011. Host facility participation increased almost 65 percent to 2,363, while consumer participation increased 25 percent to 76,700 women.



**BOYS & GIRLS CLUBS
OF AMERICA**

Five Years of Patriot Golf Day

2007

3,600 facilities registered
Total amount raised: More than \$1.1 million

2008

3,826 facilities registered
Total amount raised: More than \$1.6 million

2009

4,486 facilities registered
Total amount raised: More than \$2.1 million

2010

4,004 facilities registered
Total amount raised: More than \$3 million

2011

4,534 facilities registered
Total amount raised: More than \$3.9 million



The PGA of America has extended its reach to the nation's youth through a partnership with the Notah Begay III Foundation, the 501(c)3 not-for-profit organization created by Begay, a Native American and four-time winner on the PGA Tour. Play Golf Native America Days were created to advance the lives of the young through the development of leadership skills, wellness and attention to physical well-being. There are more than 70 golf courses owned by various tribes throughout the U.S. As part of its community outreach, The PGA has established an alliance with the United South and Eastern Tribes to help promote golf as a fun and healthy activity for families.

The PGA Sports Academy is a national program to help cultivate young golfers in a fun and interactive environment. The PGA Sports Academy is focused on developing junior golfers by utilizing five key areas in a curriculum derived from the best practices of some 400 registered PGA and LPGA Professionals. Several PGA Sports Academy clinics were conducted for youngsters in conjunction with PGA events in 2011, attracting some 4,600 junior golfers.

As the result of a successful pilot program, the Boys & Girls Clubs of America (BGCA) has been named an "Official Youth Development Partner" of The PGA of America and the United States Golf Association. PGA Professionals, supported by BGCA staff and community volunteers, will provide the PGA Sports Academy curriculum to many of the 4 million youth within the BGCA's network in a 2012 rollout.

Patriot Golf Day, jointly supported by the USGA and The PGA of America, is a fundraiser conducted at golf courses over Labor Day weekend. Golfers are asked to add \$1 or more per round played to generate funding for scholarships to children of military personnel severely wounded or killed in action in Iraq, Afghanistan and other war zones. In 2011, more than 4,500 golf courses across America participated in the program, raising \$3.9 million for the Folds of Honor Foundation which administers the distribution of the scholarships. In the five years that the program has been in place, more than \$12 million has been generated for this worthwhile cause.

PGA Village in Port St. Lucie, Fla., was one many golf clubs across America that conducted special events to honor veterans and raise money for the Folds of Honor Foundation. A parade, flyover, golf tournament and concert were among the offerings at PGA Village. An air show, golf marathons, street marathons and tournaments were among the initiatives undertaken by other PGA Professional-staffed facilities to support the efforts.



PGA President Allen Wronowski (left) joined former U.S. President George W. Bush, along with Folds of Honor Foundation VP Ed Pulido and Patriot Golf Day Founder and PGA Professional, Major Dan Rooney (far right), to launch the 2011 Patriot Golf Day Weekend.

As he did in 2010, former President George W. Bush served as honorary chairman for Patriot Golf Day, launching the campaign with a round of golf in Dallas, Texas. Bush was joined by PGA President Allen Wronowski, program founder and PGA Professional Maj. Dan Rooney, Purple Heart recipient Maj. Ed Pulido and Fox Network host Brian Kilmeade.

The PGA of America and USGA also partnered in their support of “*TEE IT FORWARD*,” a novel concept that enables golfers to have more fun by playing from distances better suited to their abilities. Guidelines encourage golfers to play from a tee that best reflects their average driving distance, which enhances enjoyment of the game.

Golf legend Jack Nicklaus, a major proponent of Golf 2.0, heartily endorsed the *TEE IT FORWARD* initiative, spearheading an extensive promotion by The PGA and USGA. PGA Tour standout Dustin Johnson and U.S. Women’s Open Champion Paula Creamer also endorsed the initiative. Some 1,900 facilities nationwide registered for the July promotion, which coincided with PGA Family Golf Month, and many more have since implemented its guidelines.

The increased participation of PGA Family Golf Month, conducted at 2,295 golf facilities, was a remarkable 83 percent over 2010, reaching more than 200,000 consumers. More than 3,500 PGA Professionals provided complimentary assistance to some 61,000 consumers during PGA Free Lesson Month. Another 36,000-plus consumers took advantage of PGA Free Fitting & Trade-Up promotions.

Special Olympics Golf began in 1988 with the assistance of The PGA of America and USGA. Through the support of golf’s allied organizations, Special Olympics golf has grown to more than 22,000 athletes participating in golf in more than 50 countries, including 14,000-plus athletes in North America.

A field of 177 golfers from 21 Special Olympics programs in the U.S., Canada and Bermuda competed in five levels of competition in the 12th Special Olympics Golf National Invitational Tournament at PGA Golf Club in September. The PGA of America, USGA and PGA Tour are presenting sponsors of the Special Olympics Invitational, which was held at PGA Golf Club for the sixth time.

The PGA has entered into a partnership with the Lorena Ochoa Golf Foundation, which is developing a network of facilities to offer new golfers low-cost instruction by PGA and LPGA Professionals. The Foundation brings golf instruction to schools, and works with golf facilities to allow youngsters to transition from playgrounds to fairways. The program includes Get Golf Ready and the PGA Sports Academy curriculum. The foundation also introduces “Neighborhood Golf” in non-traditional settings such as community centers and shopping center parking lots, using inflatable nets and other mobile devices.

Through a variety of national promotional activities and programs, PGA Professionals interacted directly with more than 500,000 consumers in 2011. ●

TEE IT FORWARD, the national initiative conducted at golf facilities nationwide, encourages all golfers to play the course at a length that is best suited to their abilities.

With **TEE IT FORWARD**, golfers can potentially speed up play and have more fun by utilizing tees that provide the greatest play ability and enjoyment. Golfers and facilities should embrace **TEE IT FORWARD** and help maximize the enjoyment of the game.

Golfers who have tried TEE IT FORWARD report

- 70% had more fun
- 52% likely to play more often

PGA USGA

The PGA and USGA partnered to launch *TEE IT FORWARD* in 2011, which promotes that golfers will have more fun playing from distances that match their abilities off the tee.

Ryder Cup Junior Academy

The Ryder Cup Junior Academy is the result of ongoing dialogue between The PGA’s leadership and former United States Ryder Cup Team Captains. The initiative extends the outreach of the Ryder Cup to provide young golfers the opportunity to experience an intense developmental academy. Instruction programming includes swing mechanics, course management, fitness and physical assessments.



The first Ryder Cup Junior Golf Academies were conducted at the PGA Center for Golf Learning and Performance in Port St. Lucie, Fla., in June and July of 2011. A total of 70 girls and boys between the ages of 14-17 attended the two seven-day sessions. Selections were made by PGA Sections based on academics, character and desire to excel in competitive golf. Stroke-play and match-play tournaments were held during the week to allow participants to experience true competitive situations.

Guest speakers and instructors included past U.S. Ryder Cup Captains Billy Casper, Dow Finsterwald, Lanny Wadkins and Hal Sutton, as well as PGA Tour star Dustin Johnson, supported by a cadre of national award-winning PGA Professionals.

THE Profession

The PGA of America was founded *by* PGA Professionals *for* PGA Professionals in 1916. The tenets upon which The PGA was established ring as true today as they did nearly 100 years ago.

First and foremost, the employment of PGA Professionals is paramount to our Association. The career opportunities afforded PGA Professionals today are varied, but all provide meaningful employment. Diverse careers in sales, manufacturing, administration, playing, teaching, finance, designing and maintaining golf courses, among other pursuits, are available to all PGA Professionals.



Chip Essig, PGA head professional at Hickory Stick Golf Club in Greenwood, Ind., was named the 2011 PGA Golf Professional of the Year, the highest annual honor bestowed by the Association upon a member.



The website *Golf20.net* was launched to support Golf 2.0's industry-wide growth of the game efforts.

The PGA provides the educational foundation to launch a career in golf, and offers additional tools for those who wish to rise to the highest levels in the industry. And when conditions dictate, The PGA can quickly make program changes to stay abreast of industry fluctuations.

Golf 2.0 is a prime example of how the Association is realigning PGA Education to parallel the changing landscape of golf. Golf 2.0 is a strategic industry-wide initiative that focuses on expanding the number of people playing golf and, by extension, providing additional career opportunities to our 27,000 PGA Professionals.

Working with employers and allied organizations, Golf 2.0 is the outcome of an extensive study of the industry conducted by the respected Boston Consulting Group. As the acknowledged leaders in game development, PGA Professionals are uniquely positioned to reverse the fortunes of the industry by retaining and strengthening our core of golfers, engaging lapsed golfers to return them to the game, and driving new players to golf.

As Golf 2.0 moves forward in the years ahead, the evolution of PGA Education will continue to mirror updated requirements. For example, in 2012, Player Development will become one of four areas of certification, joining General Management, Golf Operations and

2011 PGA of America Award Winners

- **PGA Golf Professional of the Year:** Don (Chip) Essig IV, Hickory Stick Golf Club, Greenwood, Ind.
- **PGA Teacher of the Year:** Mike Malaska, Superstition Mountain (Ariz.) Golf & Country Club
- **Horton Smith Award:** John Rogers, Majestic Ridge Golf Club, Chambersburg, Pa.
- **Bill Strausbaugh Award:** Bob Dolan, Columbia Country Club, Chevy Chase, Md.
- **PGA Junior Golf Leader:** Rick Grayson, Connie Morris Learning Center, Springfield, Mo.
- **President's Plaque:** Brian Bain, Robert T. Lynch Municipal Golf Course, Brookline, Mass.
- **Patriot Award:** John Hines, Baiting Hollow (N.Y.) Club
- **Herb Graffis Award:** Colorado PGA Section
- **PGA Merchandiser of the Year (Private Facilities):** Jeff Kiddie, Aronimink Golf Club, Newtown Square, Pa.
- **PGA Merchandiser of the Year (Public Facilities):** Susan Roll, Carlsbad (Calif.) Golf Center
- **PGA Merchandiser of the Year (Resort Facilities):** Hill Herrick, The Greenbrier, White Sulphur Springs, W. Va.
- **PGA Player of the Year:** Luke Donald, England
- **Vardon Trophy:** Luke Donald, England
- **PGA Professional Player of the Year:** David Hutsell, The Elkridge Club, Baltimore, Md.
- **PGA Senior Professional Player of the Year:** Sonny Skinner, River Pointe Golf Club, Albany, Ga.
- **PGA Distinguished Service Award:** Larry Nelson, Marietta, Ga.
- **PGA First Lady of Golf Award:** Mary Bea Porter-King, Kapaa, Hawaii
- **PGA Lifetime Achievement Award in Journalism:** Jerry Tarde, *Golf Digest*, Fairfield, Conn.



PGA Golf Professional Hall of Fame inductees for 2011 (from left) - Guy Wimberly, Jim Remy, Jim Flick, Errie Ball, Jim Antkiewicz and Jack Barber - at the Hall of Fame Ceremony held in Port St. Lucie, Fla.

Instruction.

The PGA already has modified and renamed the PGA Professional Golf Management program to PGM 2.0. The Certified Professional Program is now CPP 2.0, and the PGA Master Professional Program is MPP 2.0. The PGA Golf Management University curriculum, which is being pursued by some 2,600 students at 20 sanctioned universities across the nation, is also addressing the goals of Golf 2.0.

PGA employment efforts encompass a variety of services to bring together PGA Professionals and employers. The PGA presently employs 12 full-time Employment Consultants who identify potential employment openings and support the needs of industry and facility owners/operators. PGA Employment Consultants processed 470 job request orders from employers in 2011 in their quest to fulfill the needs of members seeking meaningful career opportunities and to satisfy industry demands for experts in the game and business of golf.

These committed specialists also managed 5,563 counseling telephone calls from prospective employers and another 15,905 from PGA Professionals. As a result of their fortitude, PGA Employment Consultants converted 70 golf facilities that had not previously engaged PGA Professionals to employment for our members. In addition, our Employment Consultants created 64 new positions for PGA Professionals at facilities across the nation.

Nearly 5,000 PGA Professionals participate in Golf Retirement Plus, the innovative program that allows participants to save for the day when they are no longer actively employed. Golf Retirement Plus includes 100 companies that provide financial incentives to PGA Professionals with whom they conduct business. Since the program began in 1997, more than \$100 million has been contributed to account-holders.

PGA Professionals also benefit from other business relationships The PGA has developed with companies such as American Express, Mercedes-Benz, RBC, Pepsi and OfficeMax, to name but a few.

Public awareness and peer recognition is another important facet of membership in The PGA of America. The PGA annually recognizes 13 PGA members with national awards, with the highest honor being the PGA Golf Professional of the Year, which went to Chip Essig of the Indiana PGA Section in 2011. The PGA also maintains the PGA Golf Professional Hall of Fame in Port St. Lucie, Fla. Inductees for 2011 included 100-year-old Errie Ball, the golf legend who played in the first Masters tournament in 1934, and PGA Honorary President Jim Remy. They



were joined by former national award winners Jim Flick, Jim Antkiewicz, Jack Barber and Guy Wimberly, along with former PGA CEO Jim Awtrey.

The positive print media exposure of PGA Professionals generated by The PGA is supplemented through the efforts of CBS Sports, NBC Sports, TNT, ESPN and Golf Channel. In addition to Public Service Announcements, our broadcast partners televise programming that portrays PGA Professionals in the best possible light as they go about their mission of growing the game of golf.

Further goodwill and consumer exposure is created by PGA.com, produced by Turner Sports New Media for the Association. PGA.com is our direct online link with the general public, delivering a constant stream of updated information on The PGA, our professionals, our championships, instruction and more. ●



Above: Mike Malaska, the PGA director of instruction at Superstition Mountain (Ariz.) Golf Club, was named the 2011 PGA Teacher of the Year. Susan Roll (center), the 2011 PGA Merchandiser of the Year for Public Facilities, promotes a welcoming environment at her facility, Carlsbad (Calif.) Golf Center.



THE Business OF GOLF

The global economic downturn has impacted golf no less than any other industry. As a game enjoyed by most people primarily with discretionary dollars, golf might have been wounded more than other pastimes.

With hard statistical data reinforcing that participation numbers in golf have diminished in recent years, The PGA launched an industry-wide examination of the problems facing golf. This all-encompassing study was conducted over a period of three months by the internationally known and respected Boston Consulting Group. At the 2011 PGA Merchandise Show in Orlando, Fla., The PGA shared this information with our allied associations, and successfully embarked on a mission to enlist the support of the entire industry, including employers and manufacturers.

These efforts gave birth to the broad-ranged industry initiative known as Golf 2.0, which was discussed in the previous section of this report. Lassoing all components of Golf 2.0 and corralling industry efforts require a significant commitment on the part of The PGA and golf's allied associations. The PGA appointed a senior director, Darrell Crall, to coordinate this vital undertaking and to work with the joint forces within the industry to ensure the success of Golf 2.0.

During the past several years, the golf industry has come together to address issues of common concern to the future of the game. WE ARE GOLF is a prime example of golf's allied associations creating a joint front in advocating with government leaders. For the fourth consecutive year in 2011, the WE ARE GOLF coalition visited key members of Congress and their staffs in Washington, D.C., to reinforce golf's weighty message: Golf is good for the economy, the environment and the people.

*Above: The inaugural PGA Merchandise Show-Asia was held in October at the Guangzhou Jinhan Exhibition Center.
Bottom right: WE ARE GOLF continues to fly golf's flag on Capitol Hill, educating elected officials on the impact of the game and industry.*

U.S., Europe unveil unified Ryder Cup logo and brand

In 2011, The PGA of America, PGA Europe and Ryder Cup Europe jointly unveiled a new, unified logo and branding platform for the biennial Ryder Cup.

The crisp, colorful new “mark,” which was developed by global brand consultancy Interbrand, with input from both Ryder Cup sides, features the gold Ryder Cup trophy in the middle of a silver badge background. Four stars and three stripes of an American flag are situated to the left of the Cup and five curving gold stars of the European Union flag are on the right side to balance the logo.

“For 80 years, the Ryder Cup has given us consistent drama, and now we have a consistent logo that unifies the Ryder Cup brand,” says PGA CEO Joe Steranka. “In the past, the logo and brand was different depending on which side was hosting the Ryder Cup. This new mark sets the stage to have joint, global sponsors and the single, global brand the Ryder Cup merits.”

The 2012 Ryder Cup is scheduled for Medinah Country Club outside Chicago, while the 2014 Ryder Cup will be contested at Gleneagles in Scotland.



KitchenAid, presenting sponsor of the 72nd Senior PGA Championship, provided unique on-course fan experiences during the event at Valhalla Golf Club.

This year, for the first time, golf spectators at the PGA Championship and Senior PGA Championship presented by KitchenAid were in the unique position to be able to witness the golf live on-site, while using hand-held electronic devices to see what else was going on around the courses through live feeds on PGA.com. With the traditional ban on cellphones lifted after the success of a pilot program in 2010, spectators were allowed to use their cell phones in designated areas. They also were allowed to access Internet feeds originating from the site.

Exciting playoffs in the PGA Championship and Senior PGA Championship presented by KitchenAid resulted in significant ratings boosts for both Championships (*see the following section on Championships for details*). Early in 2011, CBS Sports, which has been broadcasting the PGA Championship since 1991, and The PGA agreed to a new, eight-year agreement to extend broadcast rights of the PGA Championship through 2019.

The center of the golf universe each January for the past 58 years, the PGA Merchandise Show in Orlando, Fla., once again attracted more than 40,000 industry professionals, including some





Held each year prior to the PGA Merchandise Show, Demo Day is the largest event of its kind in the world, annually attracting nearly 100 of the top equipment manufacturers in the industry.

1,000 exhibitors, to the Orange County Convention Center in Orlando, Fla. In addition to industry manufacturers and vendors exhibiting on the Show floor, the PGA Merchandise Show is the largest gathering of PGA Professionals, allied association officials and other industry leaders, who come together each year to meet, participate in educational offerings, exchange ideas and otherwise address the future of the game.

Each year during the PGA Merchandise Show, The PGA enables major golf companies to become more familiar with minority-owned-and-operated businesses. The PGA, which utilizes certified women and minority businesses for products and services at all PGA of America-sanctioned events, created the Golf Industry Supplier Diversity Initiative to provide information to the golf industry and increase the participation among minorities and women. There were 70 participants at the 2011 session.

The PGA Merchandise Show, the largest golf exposition in the world, expanded its reach in 2011 when its owner, Reed Exhibitions, in conjunction with the PGA World Alliance and China Golf Association, expanded the Show to Asia. In March 2011, the PGA Merchandise Show-China was conducted in Beijing, while the PGA Merchandise Show-Asia was held at Guangzhou Jinhua Exhibition Center in October. The first-ever PGA Teaching & Coaching Summit-Asia, presented by watchmaker OMEGA, was incorporated into the October Show. The PGA of America and the Golf Course Superintendents Association of America endorsed the Shows and played key roles in coordinating the events.

Closer to home, the PGA Expo was once again conducted in Las Vegas at the Venetian Resort. Nearly 4,000 industry professionals gathered in August to enjoy the conference and merchandising extravaganza. ●



THE Championships OF THE PGA OF AMERICA



PGA Tour rookie Keegan Bradley had a meteoric rise in 2011, highlighted by his victory at the 93rd PGA Championship at Atlanta Athletic Club in Johns Creek, Ga.

The Championships of The PGA of America date back to 1916 when the first PGA Championship was conducted at Siwanoy Country Club in suburban New York. These Championships annually feature the top golfers in their respective categories, from the Junior PGA Championship, which highlights the golf stars of tomorrow, through the over-85 age group in the Senior Stroke-Play Winter Championship. The PGA diligently works to stimulate interest and participation in the game, and the media exposure generated by our spectator events encourages future golfers, former golfers and existing golfers to embrace the game of a lifetime by playing more rounds, buying more equipment and apparel, and spending more time on the lesson tee.

PGA Championship

PGA Professional Mark Bradley joined the rarified ranks of PGA Professionals whose offspring have won the PGA Championship when son Keegan emerged with the Wanamaker Trophy after a hot and frenzied Sunday afternoon in Georgia.

With multiple lead changes on the closing holes at Atlanta Athletic Club, Keegan, 25, shrugged off a triple bogey on the 15th hole, then birdied 16 and 17 before making par at 18 to force a playoff with Jason Dufner. Bradley won the three-hole playoff with an aggregate score of 1-under par to become only the third man to win a major championship in his first appearance.

During the playoff some 25.5 million Americans watched the drama on CBS. The PGA Championship signal was made available to another 453 million households throughout the world, and CBS and TNT combined to televise some 28 hours of live coverage of the action from Johns Creek, Ga.

Internationally, the signal was made available to some 673 million homes in 208 countries and territories. Included in these telecasts were PGA Public Service Announcements designed to encourage participation in the game. In addition, CBS televised two preview shows in the weeks leading up to the PGA Championship, and also provided 30-minute network highlight shows on Thursday and Friday nights.

Supplementing our extensive television exposure domestically and abroad was PGA.com, the website produced on behalf of The PGA by Turner Sports. A record 1.1 million unique users tuned in to the PGA Championship via PGA.com each day. There were 8.9 million video streams downloaded, and a whopping 183 million page views throughout the week.

PGA Professional Mike Small, the head golf coach at the University of Illinois and three-time winner of the PGA Professional National Championship, finished tied for 69th place for the week in his seventh PGA Championship appearance, earning Low PGA Club Professional honors for the second time.

Thirty years after winning his first of two PGA Championships, Georgia native Larry Nelson was the recipient of the 2011 PGA Distinguished Service Award at The Cobb Energy Performing Arts Centre in Atlanta. PGA President Allen Wronowski presented Nelson with the prestigious award for “leadership and humanitarian qualities, including integrity, sportsmanship and enthusiasm for the game of golf.” Nelson, an Army veteran who did not take up golf until after returning from Vietnam, won the 1981 PGA Championship in its first appearance at Atlanta Athletic Club, and again in 1987 at PGA National in Palm Beach Gardens, Fla. Nelson, a three-time American Ryder Cup Team member, also won the U.S. Open in 1983 at Oakmont (Pa.) Country Club.

Senior PGA Championship presented by KitchenAid

In 2001, at age 51, Tom Watson claimed the Alfred S. Bourne Trophy in lieu of the Wanamaker Trophy he never won during his illustrious career. Ten years later, Watson reclaimed the Bourne Trophy with a playoff victory over David Eger at Valhalla Golf Club in Louisville, Ky., in the 72nd Senior PGA Championship presented by KitchenAid.

The victory was Watson’s sixth senior major Championship, to go with the eight major Championships he accrued during his fabled pre-50 days. The 10-year gap between his Senior PGA victories ties Watson with the legendary Jock Hutchison, who won the first Senior PGA Championship in 1937 at Augusta National Golf Club.

Low honors in the field of 42 PGA Club Professionals were taken by Sonny Skinner, the reigning Senior PGA Professional National Champion. In his first Senior PGA Championship, Skinner, 50, finished at 6-over-par 294. Skinner is PGA head professional at River Pointe Golf Club in Albany, Ga. A total of 12 PGA club professionals made the cut.

Golf Channel and NBC Sports provided live television coverage of the Senior PGA Championship presented by KitchenAid for all four rounds. When Watson nailed his birdie putt on the first playoff hole to win, NBC was the network of choice in some 6 million U.S. homes with an extended reach to some 335 million homes internationally.

To assist in the promotion of National Physical Fitness and Sports Month, The PGA created “Let’s Move on Course.” Fans attending the Senior PGA Championship presented by KitchenAid



GOLF CHANNEL

Above: The PGA maintains multiple relationships with broadcast and cable networks to air its many championships and promote the game of golf. Below: Keegan Bradley (left) with his father, PGA Professional Mark Bradley.



were able to receive a free pedometer from Stryker, a leading medical technology company, to track their steps at Valhalla. They were encouraged to visit PlayGolfAmerica.com to record their steps and to receive a “Let’s Move on Course!” certificate signed by PGA President Allen Wronowski.

PGA Grand Slam of Golf

Four first-time contestants earned invitations to the ultra-exclusive PGA Grand Slam of Golf at Port Royal Golf Course in Southampton, Bermuda. With a first-place check for \$600,000 in the offing, PGA Champion Keegan Bradley left U.S. Open Champion Rory McIlroy in the balmy Atlantic trade winds after both finished with a first-round 67. Bradley’s second-round 71 also was enough to hold off charging Masters Champion Charl Schwartzel for a one-stroke victory in the annual end-of-season event for the four winners of golf’s major championships. Darren Clarke, the 2011 Open Champion, rounded out the elite foursome.

The 29th PGA Grand Slam of Golf was delivered into almost 90 million U.S. homes by TNT Sports, which provided international feeds for another 100 countries. The five-star Fairmont Southampton Hotel once again hosted the extended families of golf’s four major Champions for the 2011 edition of the PGA Grand Slam of Golf, considered to be the most difficult event to qualify for in all of sports. The success of the PGA Grand Slam in Bermuda has allowed The PGA to extend its contract with the Bermuda Department of Tourism through 2012.

At age 61, Tom Watson continued to add majors to his mantle with a victory in the Senior PGA Championship presented by KitchenAid.

PGA Professional National Championship

David Hutsell, the 40-year-old PGA director of instruction at The Elkridge Club in Baltimore, steadied his nerves long enough to drop an eight-foot birdie putt on the second playoff hole to claim ownership of the Walter Hagen Trophy in the 44th PGA Professional National

Championship, presented by Club Car and Mercedes-Benz, at fabled Hershey (Pa.) Country Club.

Once the home course of revered PGA Professional Ben Hogan, the Hershey East and West Courses provided the perfect backdrop for the National Championship, which ended in a three-way tie among Hutsell, Faber Jamerson of Appomattox, Va., and Scott Erdmann of Tigard, Ore.

Hutsell then led the parade of 20 PGA club professionals to the PGA Championship at Atlanta Athletic Club in August. The following month, Hutsell would find himself competing in the PGA Cup with nine colleagues.

The PGA Professional National Championship, the premier championship for PGA club professionals, was broadcast live nationally each day by Golf Channel, and was supported by Titleist/FootJoy, Callaway Golf, Nike Golf, TaylorMade-adidas golf/Ashworth and the PGA Tour. Participants in the National Championship received considerable face time from Golf Channel, which televised 9½ hours of live coverage from Hershey Country Club. In addition, Golf Channel packaged eight hours of replays into their coverage, which could be seen in 128 million homes in the U.S. and abroad.

25th PGA Cup

Led by PING golf club engineer Marty Jertson, who went undefeated and untied in his four matches with clubs he designed for himself, the United States Team won the 25th playing of the PGA Cup at scenic CordeValle in San Martin, Calif., 17½ – 8½. The victory allowed the Americans to maintain their unbeaten streak on home soil and to retain the Llandudno International Golf Trophy.

The biennial matches pair the best PGA club professionals in the U.S. with their counterparts from Great Britain and Ireland on 10-man teams competing in Ryder Cup-style format play. Captained by





David Hutsell holds the Walter Hagen Cup after his sweet victory in the 2011 PGA Professional National Championship at Hershey (Pa.) Country Club.

Honorary PGA President Jim Remy, the Americans successfully defended their home turf as their predecessors have done since the matches began in 1973. The U.S. holds a 17-5-3 record against their brethren from across the Atlantic.

“I’ve always said that the PGA Cup is the No. 1 event,” said Remy. “It is our Ryder Cup and means so much to our members.”

In addition to Jertson, the U.S. Team consisted of the following PGA Professionals: Danny Balin, Scott Erdmann, David Hutsell, Faber Jamerson, Brad Lardon, Robert McClellan, Mark Sheftic, Sonny Skinner and Mike Small.

Other PGA Professional Championships

PGA Life Member Kirk Hanefeld birdied the 18th hole to win the Southworth Senior PGA Professional National Championship at Creighton Farms in Aldie, Va.

Creighton Farms, a Jack Nicklaus Signature Golf Course, and River Creek Club of Leesburg, Va., served as co-hosts for the 23rd edition of this National Championship for Senior PGA Professionals that was presented by Mercedes-Benz.

The 55-year-old Hanefeld pocketed \$20,000 for his second title in four years in the Championship.

Frank Bensel of Century Country Club in Purchase, N.Y., won the 35th Callaway Golf PGA

2011 PGA of America Championships and Winners

PGA Championship: Keegan Bradley, Atlanta Athletic Club, Johns Creek, Ga.

Senior PGA Championship presented by KitchenAid: Tom Watson, Valhalla Golf Club, Louisville, Ky.

PGA Grand Slam of Golf: Keegan Bradley, Port Royal Golf Course, Southampton, Bermuda

PGA Cup: United States 17½, Great Britain/Ireland 8½, CordeValle, San Martin, Calif.

PGA Professional National Championship presented by Club Car and Mercedes-Benz: David Hutsell, Hershey (Pa.) Country Club

Southworth Senior PGA Professional National Championship: Kirk Hanefeld, Creighton Farms, Aldie, Va., and River Creek Club, Leesburg, Va.

PGA Stroke Play Championship: Frank Bensel, PGA Golf Club, Port St. Lucie, Fla.

PGA Match Play Championships: Robert Schuller, PGA Golf Club, Port St. Lucie, Fla.

PGA Quarter Century Championship: Jerry Tucker (Under age 64); Jim Logue (65-84); Tom Talkington (over age 85); PGA Golf Club, Port St. Lucie, Fla.

PGA Senior Stroke Play Championship: Gary Robison (Under age 59); Jerry Tucker (60-84); Tom Talkington (over age 85); PGA Golf Club, Port St. Lucie, Fla.

PGA Senior-Junior Team Championship: Robert Thompson and Bruce Smith, PGA Golf Club, Port St. Lucie, Fla.

PGA Women’s Stroke Play Championship: Jennifer Heinz, PGA Golf Club, Port St. Lucie, Fla.

Callaway Golf PGA Assistant Championship: Frank Bensel, PGA Golf Club, Port St. Lucie, Fla.

Junior PGA Championship presented by Under Armour and Heritage FSE: Ariya Jutanugarn (Girls’ Division); Cody Proveaux (Boys’ Division), Sycamore Hills Golf Club, Fort Wayne, Ind.

PGA Minority Collegiate Golf Championship: Bethune-Cookman (Div. I Men); Virginia State U. (Div. II Men); Texas-Pan American (Women’s Division), PGA Golf Club, Port St. Lucie, Fla.



The 2011 U.S. PGA Cup Team poses with the Llandudno International Golf Trophy after defeating their PGA Club Professional counterparts from Great Britain & Ireland.

Assistant Championship for the second consecutive year on the Wanamaker Course at PGA Golf Club in Port St. Lucie, Fla. Bensel carded a final-round six-under-par 66 after starting the day tied for 24th place, eight strokes off the leader.

The 56th PGA Winter Championships, Supported by Premier Golf and United Rentals, were once again conducted at PGA Golf Club in Port St. Lucie, Fla. Bensel won the PGA Stroke Play Championship, and Robert Schuller of Chester, Va., won the PGA Match Play Championship.

A total of 950 PGA Professionals participated in the six events comprising the 2011 PGA Winter Championships, which began in 1954 as a playing opportunity

for PGA Professionals visiting Florida when their northern clubs were closed for the winter.

PGA Junior Championships

Ariya Jutanugarn, a 15-year-old from Thailand, dusted the Girls' Division of the 36th Junior PGA Championship presented by Under Armour and Heritage FSE with a 15-under-par-273 at Sycamore Hills Golf Club in Fort Wayne, Ind. Jutanugarn, who finished just three strokes behind the winner in the 2010 Junior PGA Championship, posted three rounds in the 60s before a final-round 70 to take home the Patty Berg Trophy with a 10-stroke victory.

In the Boys' Division, Cody Proveaux of Leesville, S.C., holed a 15-foot putt on the final hole to edge Lorens Chan of Honolulu, Hawaii, by one stroke to win the Jack Nicklaus Trophy at Sycamore Hills, which was hosting the prestigious tournament for the second consecutive year.

The popular PGA Junior Series, in its 16th year, provided considerable exposure to the nearly 952 boys and girls who participated in 2011. The Series has conducted 172 events in 41 states, with participants from all 50 states as well as 24 countries and six continents.

PGA Amateur Championships

The 25th Anniversary of the PGA Minority Collegiate Golf Championship presented by Capital Management was celebrated in appropriate fashion at PGA Golf Club in Port St. Lucie, Fla.

More than 160 collegiate golfers, representing 40 colleges and universities, competed in this prominent golf championship. Thirteen students received some \$13,000 in scholarship money, primarily from State Farm Insurance, which also sponsored the Welcome Dinner for participants. Prior to the commencement of play, the annual Business of Golf Career Expo was open to student golfers to glean a better insight into the industry of golf and future internship and employment opportunities.

In the Men's Division I competition, Bethune-Cookman took home top honors, while Texas-Pan-American did the same in the Women's Division. Virginia State University won the Men's Division II title. In the Independent competitions, Amit Odalyar of Central Florida won the Men's Division and Airielle Dawson of Towson (Md.) University captured the Women's Division.



PGA of America partners helped provide interactive components for patrons of the 93rd PGA Championship; seen here is the PGA Learning Center presented by American Express. More than 12,000 spectators took advantage of the onsite promotions.

The 10th edition of the PGA Jones Cup, presented by Golf Pride and SkyGolf, was comprised of five-person teams from each of the 20 accredited universities in the PGA Golf Management University Program. North Carolina State University won by six strokes over runner-up University of Nevada-Las Vegas at PGA Golf Club in Port St. Lucie, Fla.

Additional Exposure

In addition to tournament play, network partners provide promotional event previews, plus additional coverage of ancillary PGA activities such as the PGA Distinguished Service Award ceremonies. One hour of highlights from the PGA Cup and Senior PGA Professional National Championship were televised by Golf Channel, which also provided highlights of the Junior PGA Championship, PGA Minority Collegiate Golf Championship and other PGA activities.

Outreach

The PGA of America works diligently to take a proactive approach to attracting minorities to the game and business of golf. For example, the 93rd PGA Championship at Atlanta Athletic Club provided revenue-generating opportunities of more than \$2.7 million for minority and women suppliers. The PGA provided an additional \$778,000 in-kind assistance for 127 local organizations that focus primarily on the well-being of youth. The PGA Championship also extended employment opportunities to more than 2,000 local citizens through our vendors and suppliers. Some 750 of these men and women were offered extended employment opportunities at the conclusion of the PGA Championship.

One of the major highlights of ancillary activities surrounding the PGA Championship was a special display of African-American golf pioneers developed by The PGA and USGA. Thousands of visitors enjoyed the presentation at CNN Center in Atlanta, where video tributes and golf artifacts helped bring to life the contributions made by the legends who broke new ground for future generations of minority golfers.

The 93rd PGA Championship also provided a focused opportunity for the PGA Player Development Department and PGA Partners – throughout the week, some 12,000 spectators took advantage of various on-site and area promotions sponsored by the likes of American Express and Mercedes-Benz, with instruction provided by 165 PGA and LPGA Professionals. ●



The 2011 Junior PGA Champions, Ariya Jutanugarn (left) and Cody Proveau.

Official Patrons:	Golf Design, Inc.	PGA TOUR
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Gatorade	PGA Merchant Processing	
GOLF CHANNEL	PGA National Resort & Spa	

THE PROFESSIONAL GOLFERS' ASSOCIATION OF AMERICA
COMBINED Statements OF ACTIVITIES (000s OMITTED)

	Revenue	2011 Expense	Increase (Decrease)	Revenue	2010 Expense	Increase (Decrease)
Revenue-Producing Activities:						
Championships	\$86,571	\$53,453	\$33,118	\$70,359	45,661	24,698
Business development	8,263	3,113	5,150	7,293	2,881	4,412
Member dues	2,414	568	1,846	2,392	663	1,729
Golf course operations	15,521	20,898	(5,377)	18,250	20,702	(2,452)
Investment income, designated funds	24,693	534	24,159	13,011	642	12,369
Investment income, other	126	-	126	139	-	139
Total revenue producing activities	137,588	78,566		111,444	70,549	
Unrestricted net assets available for support			59,022			40,895
General and Administrative Costs:						
Corporate services	-	9,752	(9,752)	-	9,052	(9,052)
Income tax benefit	18,385	-	18,385	4	-	4
Board, officers, past presidents	-	1,610	(1,610)	-	1,170	(1,170)
Total general and administrative costs	18,385	11,362		4	10,222	
	155,973	89,928		111,448	80,771	
Unrestricted net assets available for program support			66,045			30,677
Program Activities:						
Golf 2.0	-	840	(840)	-	-	-
Education	8,542	8,584	(42)	7,554	7,366	188
Research and information services	5	1,062	(1,057)	6	872	(866)
Awards	-	559	(559)	-	480	(480)
Member benefits	10,770	9,093	1,677	11,213	9,641	1,572
Membership program administration	3,158	3,467	(309)	1,191	1,559	(368)
Membership meetings	-	2,085	(2,085)	-	1,633	(1,633)
Member communications	148	1,480	(1,332)	183	1,421	(1,238)
Employment services	50	2,427	(2,377)	82	2,396	(2,314)
Public awareness	128	8,939	(8,811)	155	7,406	(7,251)
Section affairs	936	7,715	(6,779)	1,048	7,656	(6,608)
Club professional tournaments	3,455	4,204	(749)	3,460	4,684	(1,224)
Growth of game	1,742	5,039	(3,297)	5,820	8,361	(2,541)
Total program activities	28,934	55,494		30,712	53,475	
	\$184,907	\$145,422		\$142,160	\$134,246	
Increase in unrestricted net assets			\$39,485			\$7,914

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