

PGA PERFORMANCETRAK

IN COOPERATION WITH THE NGCOA

PerformanceTrak News - March 2009 Results

Welcome to PerformanceTrak News, a monthly publication from The PGA of America and NGCOA!

Management Analysis and Comment

A total of **2,692 golf facilities**, including data from PGA and NGCOA participants, provided March data by the reporting date. At the nationwide level, March 2009 rounds were nearly flat at **-0.2%** and days open were **up 6.7%** compared to March 2008. During March 2009 there were 9 weekend days compared to 10 weekend days in March 2008, which accounts for some of the decreased play. YTD rounds played stand at **0.3%** with YTD days open **up 1.9%**. Based on 2008 calendar year statistics, approximately 15% of total annual rounds are played in January, February, and March.

While overall rounds played were nearly flat for March 2009, there were clear differences in results by facility type. For example, municipal/military/university facilities reported same-store rounds played growth of 2.6%, supporting a theme that a core segment of golfers had stable demand in March for golf at value/affordable facilities.

Useable same-store golf fee revenue responses were submitted by 1,211 facilities. Median gross golf fee revenue was down 10.7%. All other gross revenues (merchandise revenue, food and beverage revenue, and total revenue) were also down in March 2009 compared to March 2008. For golf fee revenue, this indicates that with nearly flat rounds, effective rates dropped resulting in gross revenues being down. The declines in merchandise and food and beverage revenues represent lower spending per round on these non-golf fee categories. Overall, YTD gross revenues were also down; however, similar to rounds played, there are differences in results by facility type with municipal/military/university facilities reporting increases in revenues.

The Performance Factor for March 2009 was 93.5 indicating rounds played per days open were down in March 2009 compared to March 2008. The YTD Performance Factor of 98.4 also indicated rounds played per days open were down for the year through March 2009.

PGA PerformanceTrak At-a-Glance¹

| March 2009 Highlights | Mar. 09 | Mar. 08 | Chng. | % | Sample Size ² |
|---|------------|------------|-------|--------|--------------------------|
| Mean (Average) Rounds Played - March | 1,753 | 1,757 | ▼ | -0.2% | 2,692 |
| Mean (Average) Days Open - March | 20.7 | 19.4 | ▲ | 6.7% | 2,692 |
| 2009 YTD Highlights | Mar. 09 | Mar. 08 | Chng. | % | Sample Size |
| Mean (Average) Rounds Played - YTD | 4,124 | 4,111 | ▲ | 0.3% | 2,643 |
| Mean (Average) Days Open - YTD | 52.4 | 51.4 | ▲ | 1.9% | 2,643 |
| March 2009 Median Gross Revenue Per Facility ^{3,4} | Mar. 09 | Mar. 08 | Chng. | % | Sample Size |
| Median Golf Fee Revenue - March | \$ 50,143 | \$ 56,163 | ▼ | -10.7% | 1,211 |
| Median Merchandise Revenue - March | \$ 6,695 | \$ 8,109 | ▼ | -17.4% | 980 |
| Median Food & Beverage Revenue - March | \$ 16,389 | \$ 17,472 | ▼ | -6.2% | 766 |
| Median Total Revenue - March | \$ 99,588 | \$ 108,221 | ▼ | -8.0% | 825 |
| 2009 YTD Median Gross Revenue Per Facility ^{3,4} | Mar. 09 | Mar. 08 | Chng. | % | Sample Size |
| Median Golf Fee Revenue - YTD | \$ 97,225 | \$ 105,866 | ▼ | -8.2% | 1,232 |
| Median Merchandise Revenue - YTD | \$ 13,224 | \$ 15,356 | ▼ | -13.9% | 1,037 |
| Median Food & Beverage Revenue - YTD | \$ 32,083 | \$ 32,631 | ▼ | -1.7% | 817 |
| Median Total Revenue - YTD | \$ 223,390 | \$ 232,698 | ▼ | -4.0% | 872 |
| Performance Factor ⁵ | Index | | | | |
| Mar. 2009 vs. Mar. 2008 | 93.5 | | | | |
| YTD Mar. 2009 vs. YTD Mar. 2008 | 98.4 | | | | |

¹Rounds played and revenue data are as of April 22, 2009.

²Sample size is the number of responses or average number of responses for the specified period.

³Median gross revenues exclude responses where one value of the paired data was missing (i.e., a \$0 value).

⁴Median gross revenues have been weighted by facility type.

⁵Performance Factor is an index of rounds played per days open.

YTD March 2009 State Performance

State-by-state results below are for YTD rounds played and YTD days open, compared to the same period prior year, and with percent change. Also reported is the Performance Factor for each state which takes into consideration not only whether rounds were up or down, but also whether days were up or down. States that were closed for the majority of the first three months of 2009 are not listed in the following table; however, their rounds played and days open results are included in the **total**. This table shows some examples of different types of YTD results observed:

1. The states of Kentucky and Tennessee both had YTD increases in rounds played despite decreases in their YTD days open. Both of these states had Performance Factors above 100.
2. A handful of states in the south central portion of the United States (New Mexico, Texas, Kansas, Missouri, Oklahoma, and Louisiana) had YTD increases in days open and even greater YTD increases in rounds played also resulting in Performance Factors above 100.
3. The states of Colorado and Oregon both had YTD increases in rounds played, but their YTD days open increases were even greater resulting in Performance Factors that were below 100.
4. Many of the states on the east coast (Florida, Alabama, Georgia, South Carolina, North Carolina, Virginia, and Maryland) and a handful on the west coast (California, Washington, and Hawaii) had decreases in rounds played as well as days open, resulting in Performance Factors below 100.

| March 2009 YTD Rounds Played Comparison By State | | | | | | | |
|--|-------------------------------------|--------------------------------------|---------------------------------|---------------------------------|----------------------------------|-----------------------------|-----------------------|
| State | Current 2009 Rounds Played | Previous 2008 Rounds Played | Rounds Played % Change | Current 2009 Days Open | Previous 2008 Days Open | Days Open % Change | Performance Factor |
| Total | 4,124 | 4,111 | 0.3% | 52.4 | 51.4 | 1.9% | 98.4 |
| Alabama | 3,831 | 4,259 | -10.0% | 72.5 | 75.9 | -4.5% | 94.2 |
| Arizona | 11,315 | 11,214 | 0.9% | 82.8 | 82.8 | 0.0% | 100.9 |
| California | 9,293 | 9,379 | -0.9% | 77.8 | 78.4 | -0.8% | 99.8 |
| Colorado | 2,673 | 1,775 | 50.6% | 46.2 | 30.1 | 53.5% | 98.1 |
| Florida | 11,483 | 11,848 | -3.1% | 86.6 | 87.8 | -1.4% | 98.3 |
| Georgia | 4,149 | 4,608 | -10.0% | 72.1 | 75.3 | -4.2% | 94.0 |
| Hawaii | 9,846 | 10,593 | -7.1% | 87.7 | 88.5 | -0.9% | 93.8 |
| Kansas | 3,082 | 2,012 | 53.2% | 59.3 | 45.7 | 29.8% | 118.1 |
| Kentucky | 1,362 | 1,041 | 30.8% | 44.9 | 46.1 | -2.6% | 134.3 |
| Louisiana | 4,663 | 4,152 | 12.3% | 78.2 | 74.3 | 5.2% | 106.7 |
| Maryland | 1,635 | 1,790 | -8.7% | 56.5 | 59.3 | -4.7% | 95.9 |
| Mississippi | 2,578 | 2,711 | -4.9% | 64.7 | 69.1 | -6.4% | 101.6 |
| Missouri | 1,826 | 1,344 | 35.9% | 51.8 | 43.3 | 19.6% | 113.6 |
| Nevada | 6,059 | 6,363 | -4.8% | 71.0 | 66.0 | 7.6% | 88.5 |
| New Mexico | 4,280 | 3,958 | 8.1% | 69.3 | 69.2 | 0.1% | 108.0 |
| North Carolina | 3,333 | 3,950 | -15.6% | 62.8 | 70.1 | -10.4% | 94.2 |
| Oklahoma | 3,870 | 3,495 | 10.7% | 67.2 | 64.6 | 4.0% | 106.4 |
| Oregon | 3,188 | 3,113 | 2.4% | 70.0 | 62.4 | 12.2% | 91.3 |
| South Carolina | 6,086 | 6,802 | -10.5% | 77.8 | 82.0 | -5.1% | 94.3 |
| Tennessee | 2,387 | 2,351 | 1.5% | 60.1 | 62.3 | -3.5% | 105.2 |
| Texas | 6,264 | 5,690 | 10.1% | 78.1 | 75.8 | 3.0% | 106.8 |
| Virginia | 2,541 | 3,117 | -18.5% | 60.4 | 66.8 | -9.6% | 90.2 |
| Washington | 3,046 | 3,265 | -6.7% | 66.0 | 69.5 | -5.0% | 98.2 |

Note: Those states excluded from this report have insufficient sample size for reporting purposes at the state level but are included in national reporting.

March 2009 Rounds Played

The PerformanceTrak rounds played comparison report for March 2009 is below with statistics by facility type including average rounds played, same month year-to-year comparison, days open and days open change. In March, overall rounds were nearly flat at -0.2% and days open were up 6.7%. Rounds played results by facility type reflect gains at private facilities (1.8%) and municipal/military/university facilities (2.6%), while there were declines at daily fee/semi-private and resort facility types of -1.8% and -7.6%, respectively. This appears to reflect a continuing scenario of private golfers maintaining their rounds volume at their local facilities and value public golf holding stable while destination resorts and daily fee/semi-private facilities are seeing some effect of softer demand affected by travel costs and general economic concerns.

Report Name: Rounds Played Comparison
Reporting Period: March 2009 & March 2008
Statistic: Average
Holes: All Facilities
Facility Type: All Facility Types

| | Same Month Year-to-Year | | | | | |
|--------------------------------|-------------------------|------------|----------|--------------|------------|----------|
| | Rounds Played | | | Days Open | | |
| | Current Year | Prior Year | % Change | Current Year | Prior Year | % Change |
| All Facility Types | 1,753 | 1,757 | -0.2% | 20.7 | 19.4 | 6.7% |
| By PGA Reporting Group: | | | | | | |
| Private | 1,139 | 1,119 | 1.8% | 19.4 | 18.2 | 6.6% |
| Daily Fee/Semi-Private | 2,222 | 2,262 | -1.8% | 22.0 | 20.8 | 5.8% |
| Municipal/Military/Univ | 2,036 | 1,984 | 2.6% | 20.8 | 18.9 | 10.1% |
| Resort | 1,904 | 2,060 | -7.6% | 21.0 | 20.1 | 4.5% |

March 2009 Key Performance Indicators

Golf facility revenue results for the four key performance indicators are below on a revenue per round played basis.

Report Name: All KPIs Current Month
Reporting Period: March 2009
Statistic: Median
Holes: All Facilities
KPI: All
Facility Type: All Facility Types

| | KPI Summary | | | |
|--------------------------------|------------------------------------|---------------------------------------|-------------------------------|---------------------------------|
| | Golf Fee Revenue Per Rounds Played | Merchandise Revenue Per Rounds Played | F&B Revenue Per Rounds Played | Total Revenue Per Rounds Played |
| All Facility Types | <u>Median</u> \$26.79 | <u>Median</u> \$5.06 | <u>Median</u> \$13.20 | <u>Median</u> \$69.75 |
| By PGA Reporting Group: | | | | |
| Private | \$18.66 | \$7.50 | \$26.28 | \$106.79 |
| Daily Fee/Semi-Private | \$31.79 | \$3.24 | \$5.45 | \$46.42 |
| Municipal/Military/Univ | \$23.04 | \$2.41 | \$2.51 | \$34.86 |
| Resort | \$61.02 | \$8.52 | \$8.49 | \$79.60 |

Note: Median revenue figures on this report are for those facilities that reported both rounds played and revenues for the key performance indicator. The median revenue figures in the all facility types row have been weighted by facility type.

About PerformanceTrak

PGA PerformanceTrak in Cooperation with the NGCOA is the industry's leading rounds and key performance indicator service. Reports are available for 41 PGA Sections, 50 States and more than 60 local markets.

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