

## Executive Summary

Rounds played concluded **down 4.8%** for 2013 while the number of days open finished **down 6.9%** as compared to 2012. The year-end days open for play and the national average rounds played for the year were the lowest in the history of PerformanceTrak (est. 2005). In 2013, there were **23 fewer days open** compared to 2012. Despite the banner year for rounds played and days open for play in 2012, more rounds were played per day open in 2013 than 2012 or 2011.

For the month of December 2013, rounds were **down 11.8%** and days open were **down 19.2%** compared to December 2012 based on paired data. December 2013 had the second lowest average for number of days open and the third lowest average for the number of rounds played over the past eight years.

Despite the drop in rounds played for the year and understandably gross golf fee revenue, facility operators reported growth in three of the four key revenue metrics including Merchandise (+2.2%), F&B (+2.0%) and Total Facility Revenue (modest +0.3%).

PerformanceTrak At-a-Glance - December 2013					
December 2013 Highlights	December 2013 <sup>1,2</sup>	December 2012 <sup>1,2</sup>	Change	% Change	Sample Size <sup>3</sup>
Mean (Average) Rounds Played - December	747	847	↓	-11.8%	2,286
Mean (Average) Days Open - December	13.5	16.7	↓	-19.2%	2,286
<b>YTD December 2013 Highlights</b>					
Mean (Average) Rounds Played - YTD	23,425	24,614	↓	-4.8%	2,840
Mean (Average) Days Open - YTD	267.8	287.7	↓	-6.9%	2,840
<b>December 2013 Median Gross Revenue Per Facility<sup>4</sup></b>					
Median Golf Fee Revenue - December	\$26,998	\$29,138	↓	-7.3%	958
Median Merchandise Revenue - December	\$9,941	\$10,061	↓	-1.2%	852
Median Food & Beverage Revenue - December	\$29,088	\$29,296	↓	-0.7%	615
Median Total Revenue - December <sup>6</sup>	\$114,387	\$114,498	↓	-0.1%	722
<b>YTD December 2013 Median Gross Revenue Per Facility</b>					
Median Golf Fee Revenue - YTD	\$751,309	\$775,406	↓	-3.1%	1,168
Median Merchandise Revenue - YTD	\$147,583	\$144,351	↑	2.2%	1,040
Median Food & Beverage Revenue - YTD	\$446,014	\$437,314	↑	2.0%	776
Median Total Revenue - YTD <sup>6</sup>	\$1,936,933	\$1,930,829	↑	0.3%	905
<b>Performance Factor<sup>5</sup></b>					
	<b>Index</b>				
December 2013	109.1				
YTD December 2013	102.2				
<p><sup>1</sup> Rounds played, days open, and revenue data are as of January 22, 2014.</p> <p><sup>2</sup> Rounds played, days open, and revenue data are weighted by state and facility type.</p> <p><sup>3</sup> Sample size is the number of responses or average number of responses for the specified period.</p> <p><sup>4</sup> Median gross revenues exclude responses where one value of the paired data was missing (i.e., a \$0 value).</p> <p><sup>5</sup> Performance Factor is an index of rounds played per day open, where 100.00 represents consistent play on a per day basis.</p> <p><sup>6</sup> Total facility revenue is comprised of Golf, Merchandise and F&amp;B revenue (those metrics measured by PerformanceTrak) and further includes any and all other revenue items at a facility including dues and membership fees.</p>					

## December State-by-State Performance

State-by-state results are below for monthly rounds played and monthly days open. Also reported is the *Performance Factor* which takes into account the change in rounds played per day open. For the month of December, of the 41 states with a decline in rounds played from 2012 to 2013, however, fifteen of these states actually had more rounds played per day open this year than in 2012. Based on the *Performance Factor*, the top 5 states to see growth in rounds played per day open are Utah, Colorado, Massachusetts, Montana and Arkansas. On the local market level, the top three with December rounds played increases were all located in California: San Francisco, Sacramento and Orange County (it was the second driest December on record for this state).

PerformanceTrak Monthly State Results for December 2013							
State	Rounds Played			Days Open			Performance Factor
	Current Year	Previous Year	% Change	Current Year	Previous Year	% Change	
All United States	747	847	-11.8%	13.5	16.7	-19.2%	109.1
California	2,848	2,425	17.4%	27.8	25.7	8.2%	108.6
Hawaii	2,781	2,703	2.9%	29.8	30.7	-2.9%	106.0
Florida	2,744	2,726	0.7%	29.1	29.6	-1.7%	102.4
South Carolina	1,434	1,445	-0.8%	28.0	28.5	-1.8%	101.0
Arizona	2,837	2,886	-1.7%	28.2	28.6	-1.4%	99.7
West Virginia	194	202	-4.0%	11.2	14.0	-20.0%	120.0
Delaware	533	581	-8.3%	22.7	25.9	-12.4%	104.7
Nevada	1,088	1,191	-8.6%	16.4	19.2	-14.6%	106.9
Mississippi	550	630	-12.7%	22.5	25.2	-10.7%	97.8
Colorado	300	346	-13.3%	6.6	11.7	-43.6%	153.7
Louisiana	996	1,163	-14.4%	25.0	26.4	-5.3%	90.4
New Mexico	526	615	-14.5%	16.1	18.3	-12.0%	97.2
Oregon	488	574	-15.0%	19.1	23.7	-19.4%	105.5
North Carolina	958	1,128	-15.1%	23.9	25.3	-5.5%	89.9
New Jersey	303	362	-16.3%	13.7	16.7	-18.0%	102.0
Georgia	981	1,173	-16.4%	23.9	26.3	-9.1%	92.0
Alabama	738	916	-19.4%	25.9	26.7	-3.0%	83.1
Washington	425	530	-19.8%	15.6	18.4	-15.2%	94.6
Virginia	682	853	-20.0%	19.9	22.8	-12.7%	91.6
Texas	1,410	1,848	-23.7%	22.0	26.8	-17.9%	92.9
Tennessee	636	837	-24.0%	20.4	23.2	-12.1%	86.4
Maryland	523	756	-30.8%	19.8	25.2	-21.4%	88.0
Utah	337	492	-31.5%	4.7	11.7	-59.8%	170.5
Oklahoma	686	1,033	-33.6%	17.9	23.9	-25.1%	88.7
Arkansas	205	322	-36.3%	10.8	20.4	-47.1%	120.3
New York	126	200	-37.0%	4.6	7.2	-36.1%	98.6
Kentucky	272	446	-39.0%	14.9	18.7	-20.3%	76.5
Massachusetts	185	314	-41.1%	5.5	12.3	-55.3%	131.8
Kansas	298	531	-43.9%	13.1	19.9	-34.2%	85.3
Connecticut	89	163	-45.4%	6.5	8.7	-25.3%	73.1
Nebraska	136	254	-46.5%	5.6	9.8	-42.9%	93.7
Missouri	288	623	-53.8%	14.9	22.6	-34.1%	70.1
Wyoming	4	9	-55.6%	1.6	3.2	-50.0%	88.9
Montana	10	24	-58.3%	0.9	2.7	-66.7%	125.0
Ohio	90	223	-59.6%	6.0	11.2	-46.4%	75.3
Pennsylvania	119	323	-63.2%	7.0	15.4	-54.5%	81.1
Indiana	89	246	-63.8%	4.4	11.0	-60.0%	90.4
Rhode Island	94	293	-67.9%	9.0	19.4	-53.6%	69.2
Iowa	34	125	-72.8%	2.2	6.9	-68.1%	85.3
South Dakota	4	17	-76.5%	0.3	1.1	-72.7%	86.3
Minnesota	4	17	-76.5%	0.3	0.5	-40.0%	39.2
Illinois	56	300	-81.3%	4.3	11.5	-62.6%	49.9
Michigan	14	90	-84.4%	0.5	3.3	-84.8%	102.7
Idaho	28	191	-85.3%	2.3	8.3	-72.3%	52.9
Maine	0	11	*	0	0.4	*	
Wisconsin	0	70	*	0.2	1.9	-89.5%	0
Vermont	0	0	*	0	0	*	
New Hampshire	0	0	*	0	0	*	
North Dakota	0	0	*	0	0	*	

Note 1: States displayed are those that have sufficient sample size and sufficient days open for reporting. Regardless of display, all responses are included in the "All States" value for nationwide results.

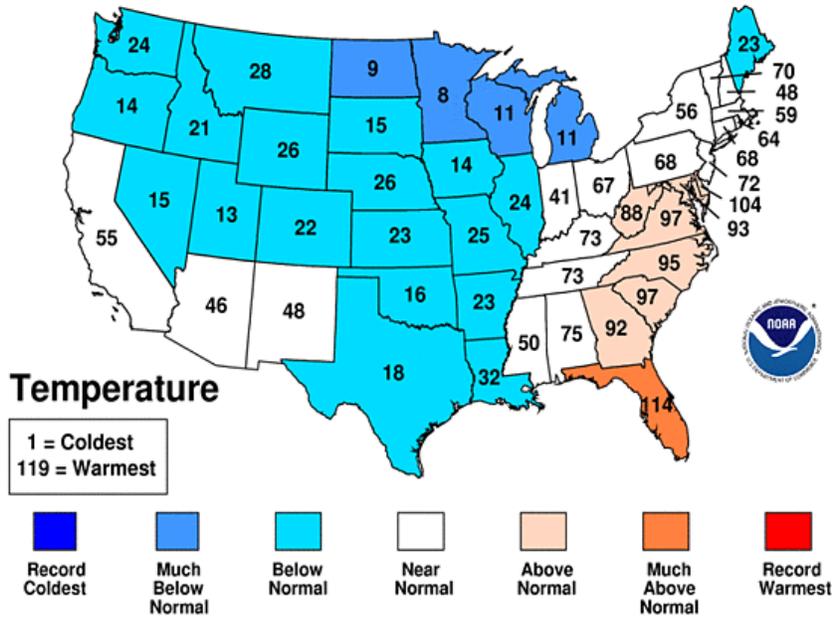
Note 2: Results are based on weighting by facility type and state.

## December Weather Summary

As a carry-over from last month, a majority of the contiguous U.S. was cooler than usual in December 2013. Some states in the Southeast were warmer but still much wetter this month which affected play. Of these, West Virginia and South Carolina performed well due to higher rounds played per day open than December 2012. Florida, the exception to a wetter December, was up slightly 0.7% in rounds. Hawaii also increased rounds played compared to December 2012 (+2.9%) with less than average precipitation overall.

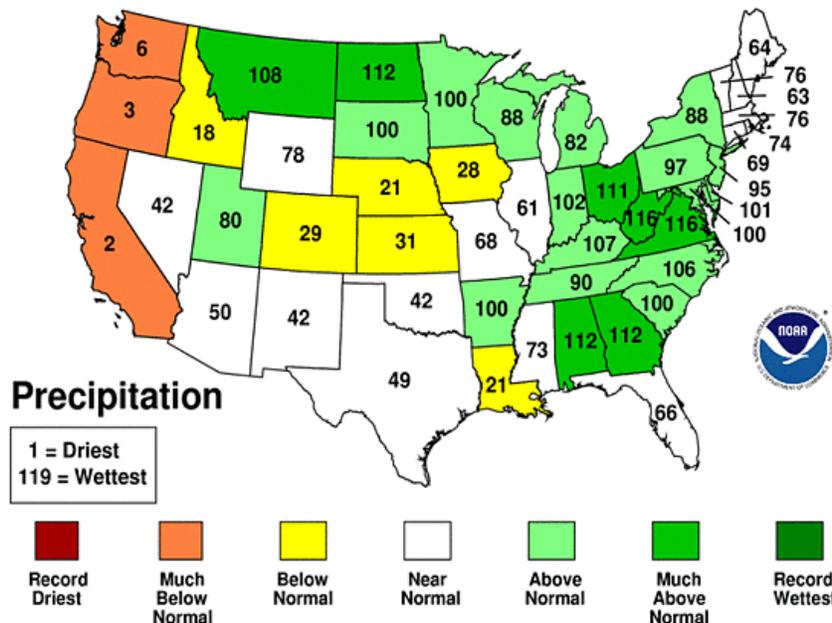
### December 2013 Statewide Ranks

National Climatic Data Center/NESDIS/NOAA



### December 2013 Statewide Ranks

National Climatic Data Center/NESDIS/NOAA



For the maps above: The numeric value within an area represents where it falls within the rank from 1 to 119 which covers the historical period of record-keeping (119 years). It is sorted from highest to lowest value (Coldest/Driest to Warmest/Wettest). For example, if the value equals 18 on the 1 to 119 scale, it represents the 18th coldest / driest period on record. A value of 117 would represent the 3rd warmest / wettest.

## December and Year-End Golf Fee Revenues by Facility Type

The year-end golf fee revenues by facility type reveal declines for three of the four presented below. Private facilities were down slightly (-0.9%) for the year. Resort properties were the exception with a 2.9% growth in year over year golf fee revenues through December 2013. Notwithstanding the declines in gross golf fee revenues, the median golf fee per round of golf played grew nationally to \$25.02.

Year-to-Date Golf Fee Revenue and Golf Fee Revenue Per Round						
	Gross Golf Fee Revenue			Golf Fee Revenue Per Round		
	Current 2013 Year-to-Date	Prior 2012 Year-to-Date		Current 2013 Year-to-Date	Prior 2012 Year-to-Date	
Facility Type	Median	Median	% Change	Median	Median	% Change
Private	\$451,075	\$455,046	-0.9%	\$21.52	\$20.06	7.3%
Daily Fee	\$810,357	\$846,519	-4.3%	\$25.69	\$25.22	1.9%
Muni/Mil/Univ	\$899,883	\$943,961	-4.7%	\$23.78	\$23.36	1.8%
Resort	\$1,896,003	\$1,841,855	2.9%	\$46.72	\$46.98	-0.6%
<b>All Facility Types</b>	<b>\$751,309</b>	<b>\$775,406</b>	<b>-3.1%</b>	<b>\$25.02</b>	<b>\$24.35</b>	<b>2.8%</b>

Monthly Golf Fee Revenue			
	Gross Golf Fee Revenue		
	December 2013	December 2012	
Facility Type	Median	Median	% Change
Private	\$15,747	\$16,899	-6.8%
Daily Fee	\$26,793	\$29,390	-8.8%
Muni/Mil/Univ	\$31,218	\$34,269	-8.9%
Resort	\$110,489	\$110,381	0.1%
<b>All Facility Types</b>	<b>\$26,998</b>	<b>\$29,138</b>	<b>-7.3%</b>

Please note: Golf Fee Revenue per Round is calculated based on facilities that provided both rounds and golf fee revenue. Therefore, the sample here for rounds played is different than the overall rounds sample from results presented in prior pages within the newsletter. Golf Fee Revenue includes green fees, guest fees, trail fees, cart fees and any pro-rata portion of golf pass/pre-paid greens fees for the period.

## Year-End Rounds Played by Facility Type

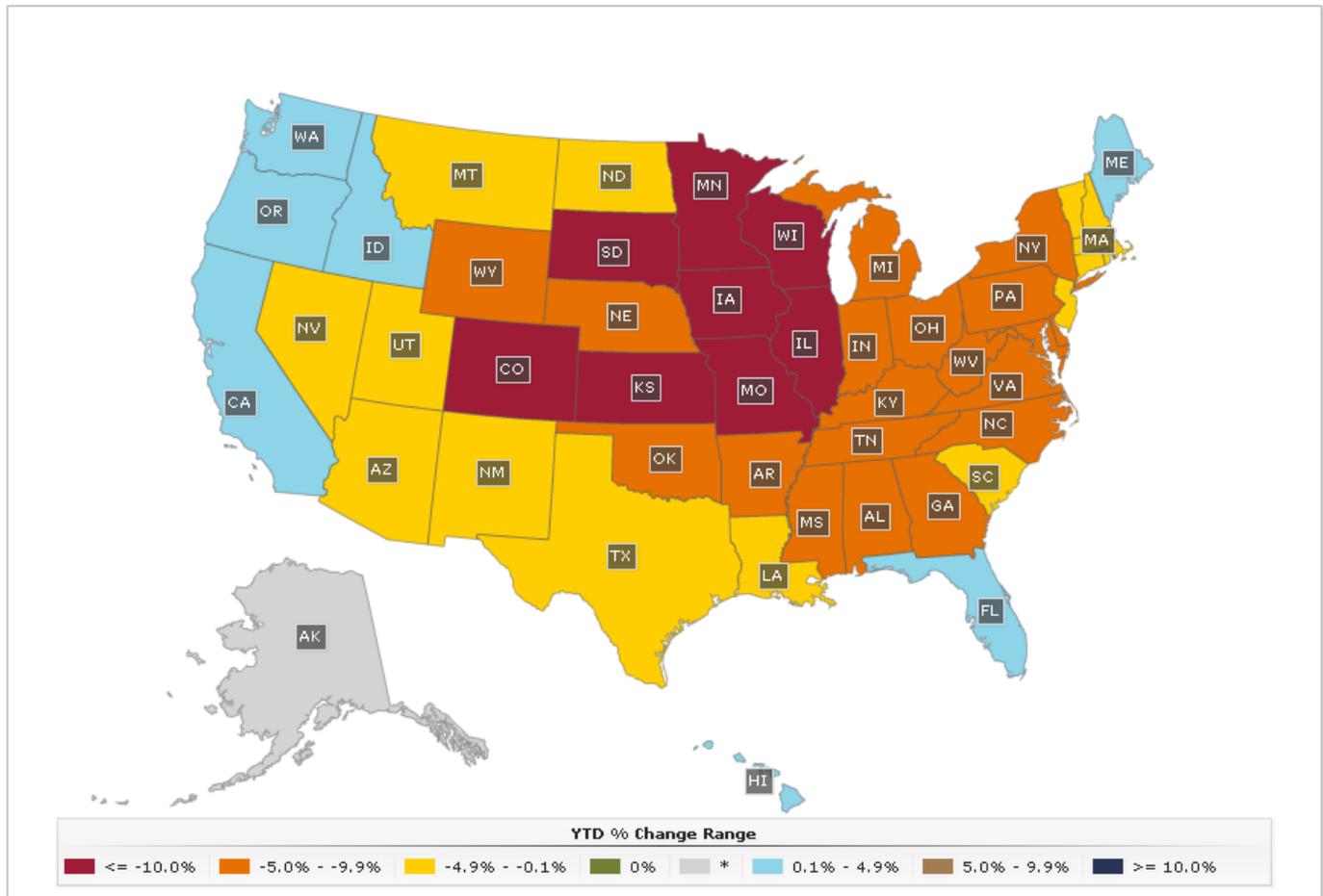
The PerformanceTrak rounds played comparison report for YTD (year-end) December 2013 is below with statistics by facility type including average rounds played, year-over-year comparison, and days open. Municipal facilities and Daily Fee facilities experienced the largest declines. For the year, municipal facilities had 22 *less days open* this year compared to 2012 and recorded the largest drop in play of the four golf facility types tracked through this service.

Year-to-Date Average Rounds Played / Days Open Comparison						
Facility Type	YTD 2013 Rounds Played	YTD 2012 Rounds Played	% Change	YTD 2013 Days Open	YTD 2012 Days Open	% Change
Private	18,422	19,262	-4.4%	266.9	284.7	-6.3%
Daily Fee	24,584	25,868	-5.0%	265.6	287.2	-7.5%
Muni/Mil/Univ	29,704	31,557	-5.9%	275.2	297.2	-7.4%
Resort	22,781	23,066	-1.2%	277.3	286.8	-3.3%
<b>All Facility Types</b>	<b>23,425</b>	<b>24,614</b>	<b>-4.8%</b>	<b>267.8</b>	<b>287.7</b>	<b>-6.9%</b>

## Year-End Rounds Played Percent Change by State Maps

This map provides YTD December 2013 (year-end) rounds played results compared to YTD December 2012 color-coded based on a percent change range. There were six states with year-end rounds played increases: Maine (4.1%), Oregon (3.2%), Hawaii (2.3%), California (1.9%), Washington (1.8%) and Idaho (1.4%). Additionally, Florida posted a modest increase of 0.4%. Of the 42 states with a decline in rounds played from 2012 to 2013, twenty-six of these states actually had more rounds played per day open this year compared to last year. Additionally, 31 of the 42 states posting declines in rounds played were affected by above-average precipitation resulting in fewer days open for play (Michigan and North Dakota had their wettest year on record).

PerformanceTrak: U.S. Map of Rounds Played Year-to-Date % Change by State - December 2013

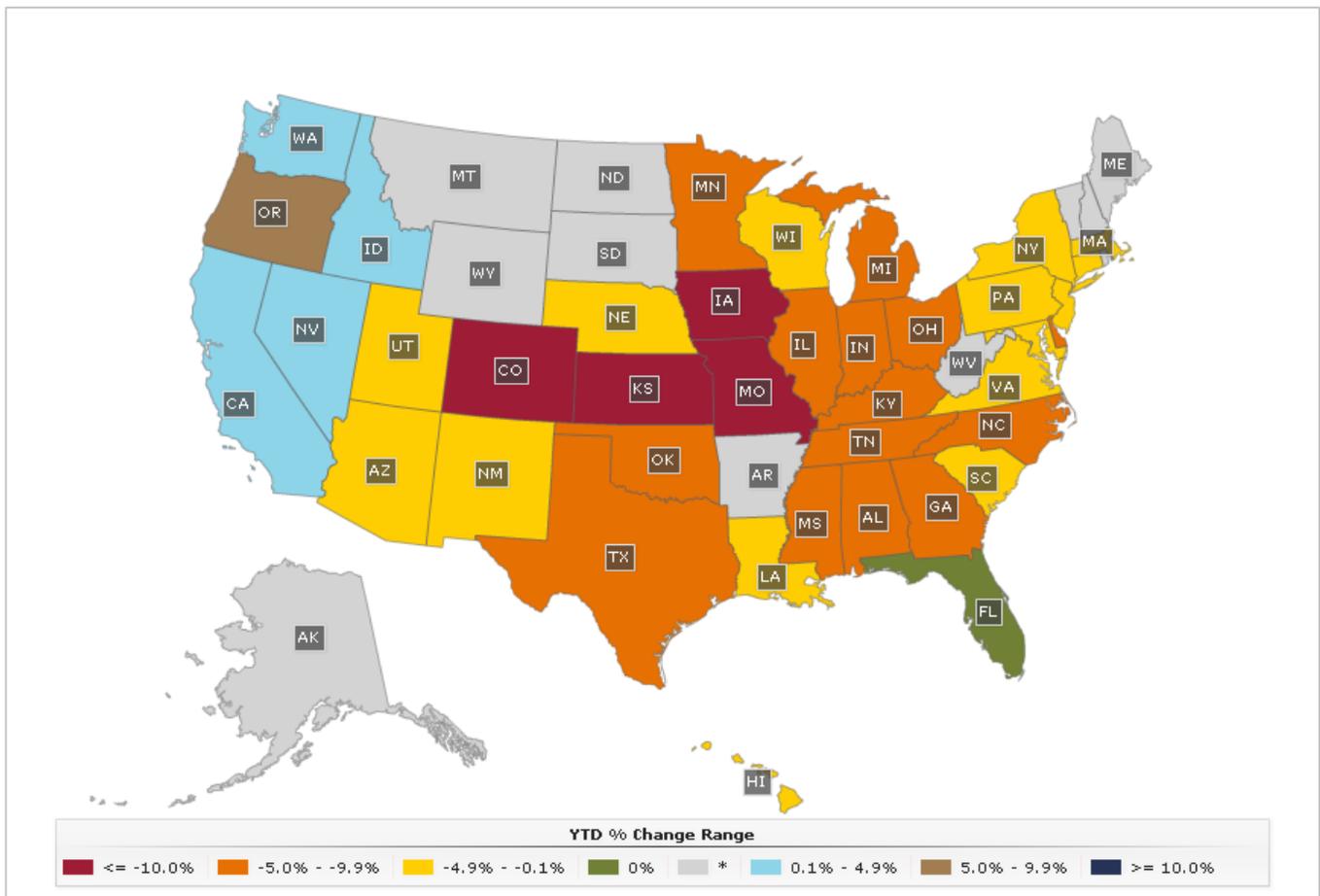


For this map the \* symbol (grey area) indicates insufficient number of responses in order to display accurate data.

## Year-End Gross Golf Fee Revenue Percent Change by State

This map provides YTD December 2013 (year-end) gross golf fee revenue results compared to YTD December 2012 color-coded based on a percent change range. There were five states with year-end gross golf fee revenue increases: Oregon (5.4%), Idaho (4.3%), California (4.2%), Nevada (3.0%) and Washington (2.9%). Nevada was the only state in this group to report a year-over-year decline in rounds played for 2013. Additionally, three states reported minimal declines in gross golf fee revenue including Arizona (-0.1%), Hawaii (-0.6%) and Nebraska (-0.8%). Florida, as you can see from the map below, had no measurable change. For the year, the largest golf fee revenue declines occurred in Colorado, Iowa, Kansas and Missouri as a result of the decrease in rounds played and days open. Both Iowa and Kansas had 42 less days open on average compared to last year. Missouri had 39 less days open on average and Colorado had 25 less.

PerformanceTrak: U.S. Map of Golf Fee Revenue Year-to-Date % Change by State - December 2013



For this map the \* symbol (grey area) indicates insufficient number of responses in order to display accurate data.

## About PerformanceTrak

**PGA PerformanceTrak in Cooperation with the NGCOA** is the industry's leading rounds and revenue data collection and benchmarking service. Reports are available for PGA Sections, States and over 70 local markets. NGCOA report packages are also available for some local competitive golf markets (CGMs) and for rate sets within CGMs. Reports include data for each metric (e.g. median golf fee revenue), not just the percent change, for rounds played and four Key Performance Indicators. A dedicated team at the PGA of America National Office gathers this data monthly to support participation and benchmark reporting across the country and to assist with customer service inquiries. PerformanceTrak has a high standard regarding data quality. Information submitted is reviewed for significant changes and outliers, feedback is gathered from users regarding their specific operations and their local area and any outlier of data is omitted from reporting. PerformanceTrak is a fully online, web-based service with real-time reports available 24/7. Flexibility of data submission is offered to all users when a non-online approach is needed.

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