

Nathan Crace's

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Bold New World of Corp Sponsors

By: Nathan Crace Date: Feb. 19, 2007

Corporate sponsors are nothing new on the PGA Tour or to golf in general. In fact, they are the lifeblood of the various professional Tours, pumping millions of dollars annually into events to pay for everything from operations to players' paychecks to big donations to local charities. Kudos to them. And sponsorships don't stop there. Ever noticed the people advertising on the scorecard at your local course? It's simple business: companies pay for the expenses in return for the exposure. It is very good business, in fact, for the sponsors. After all, golf is full of golfers with above average disposable income and access to those resources. And from scorecards to Tour events, there's never been much concern with who sponsors what. Until now...

Hot on the heels of the United States Golf Association (USGA) announcing its first-ever sponsorship deal with American Express, it recently came out saying that it has now inked its first-ever corporate sponsorship with an automaker. The lucky brand? Lexus. Of course, Lexus is a name which has become synonymous with quality and luxury—an ideal target market comprised of individuals whom you might expect play golf. But I wonder (as I'm sure others do) if the governing body of the game of golf in the United States should be taking on corporate sponsors. Is the USGA that strapped for cash?

I'm sure that a number of safeguards were put into place in the agreements with AMEX and Lexus. And you would assume that the USGA thought ahead to those people wondering if it was at best a questionable merger and at worst bordering on ethical dilemma. But looking at some of the press releases on the subject, I wonder if anyone at the USGA is much concerned about it at all. Maybe because they see no problem with it or maybe because they can't see the forest for the money trees.

Here's my concern. USGA chief marketing officer Barry Hyde has hinted that the AMEX and Lexus deals are not the end of the USGA's corporate partner plans—merely the tip of the proverbial iceberg. So what are the criteria for protecting the USGA from potential influence from the companies cutting big checks to the governing body? Sure, Lexus probably doesn't have an interest in influencing the decisions of the USGA, but what if a large multi-national conglomerate becomes a sponsor and a division of that corporation is the majority shareholder in a golf ball or club manufacturing company? Is it not too big of a stretch that over lunch one day in Far Hills, New Jersey the CEO of the corporation hints to the CEO of golf that it sure would be a big blow financially if their new technology was not approved by the USGA? Hint, hint, nudge, nudge, wink, wink. Know who AMEX's big name spokesperson is? The world's Number One ranked golfer.

I can't be the only one who thinks all of this is a little odd. This is THE governing body of the game of golf—both amateur and professional—crawling into bed with corporate sponsors. Golf is different from any other sport in that respect and I'm uneasy about it. Do you really want to see the "2009 Home Depot U. S. Open presented by Lexus?" Remember when the AT&T Pebble Beach Pro-Am was just the Bing Crosby Pro-Am? You probably don't. Sure things change and it takes money to keep these tournaments alive (just ask the B.C. Open), but we're not talking about a tournament, per se. This is sponsoring the governing body of the game of golf itself. It's just not right.

Even if it never goes as far as the slippery slope would precipitate, would it have killed the USGA to at least use an American automobile manufacturer to sponsor OUR championships? The U.S. Open.... sponsored by a Japanese company? Yes, Lexus is owned by Toyota. I'm no economic isolationist, but it would have been nice to see Ford or GM sponsoring the courtesy cars. And I for one would rather stretch out in a Yukon any day instead of squeezing into an LS300. I will give the USGA the benefit of the doubt and assume that they tried to cut a deal with one of the Big Three before heading overseas. Or maybe Lexus came to the USGA. Who knows? Not me, but someone in New Jersey does.

So for now we will hold our judgment and see how things unfold. Maybe future sponsors will be tried and true staples of traditional Americana like Coca-Cola and McDonald's who have no interest in the inner workings of the USGA. Then again, there could be a continued takeover of the governing body by international interests and we will have to get Peter Ueberroth, Clint Eastwood, and Arnold Palmer to buy it back like they did Pebble Beach from the Japanese resort company Taiheiyo Club Inc. in 1999. We can only hope it doesn't go that far.

Nathan Crace is a golf course architect and member of the Golf Writers Assoc. of America whose freelance "Lipouts" column is based, at times, on topics submitted to the author by readers like you. If you have a topic you would like to see discussed or wish to read past columns from his archives, log on to www.lipouts.com and let him know. Copyright 2007.