



## Paul Major Joins the Board of Concert Golf Partners

*Concert Golf Partners is pleased to announce the addition of Paul Major to its Board of Directors. Mr. Major is an accomplished industry executive, avid golfer and former Board President at one of the nation's most prestigious private clubs. Mr. Major's passion for the game and profound experience with elite private club leadership will provide a valuable perspective as Concert Golf continues to engage with club Board's throughout the country, crafting customized and unique recapitalization solutions for private clubs.*



I have also owned and operated a golf course in Los Angeles and navigated the same pandemic-related challenges as the other owners and operators of the 14,000+ golf facilities in the US. Last, I joined the Board of Concert Golf Partners, a boutique owner-operator of private clubs. So, I have a somewhat unique vantage point on trends in our beloved industry.

### A New Model for Equity Clubs

After 30+ years in and around golf, I've seen a thing or two. In the past year, I have become convinced that most equity clubs would benefit from a new model – one with easy access to capital, more streamlined governance, and uniformly better outcomes for members and staff. Let me explain.

Like many of you, I am a lifelong golf addict. I started playing at a young age and continued to competitive formats. My days on the UC Berkeley golf team in the [1980s] led me to amateur tournaments and an effort to compete on PGA mini-tours. Nowadays, my kids can outdrive me, but I still outscore them due to course management savvy and short game skills.

Here is what I have learned. Elite equity clubs like mine, with a long waitlist to join and easy ability to raise mountains of capital for even the most ambitious projects, have a sound model for preserving the legacy and traditions of our historic club. Our [22] committees may be time-consuming and a bit cumbersome, but they have allowed us to reach consensus among our membership on sensitive issues involving our neighbors and about hosting championships. Our rotating volunteer Board structure distributes the burden of governance among us; having spent [30-hour] weeks serving as club President for two years, my wife can tell you this is no mere weekend hobby. The assessments we proposed were almost unanimously passed by our members, everyone paid their bill, and we suffered zero attrition because of these large, periodic charges. The club keeps getting better and the system works... at our club.



Most private clubs are not like my club. I know members at dozens of great private clubs across the country and have played in a number of invitational and member-guest tournaments there. My friends who serve in Board roles at these clubs describe a number of common challenges that we have never faced at my club. One friend led a sensible effort to fund and complete a much-needed series of capital projects, but the Board was split based on some member resistance to certain projects - and the projects were deferred. Another friend regularly calls me for advice on how to Attract the next generation of members. More often, I hear about nightmarishly long Board meetings, committees that accomplish very little, politics, and personal agendas interfering with the smooth running of these clubs.

The difference, it is clear to me, is that these terrific clubs (with some excellent golf courses and facilities where I really enjoy spending time) simply do not have "excess demand" to join. A full membership allows the Board to spread the cost of capital projects widely; each member's assessment is smaller. Having a waitlist to join the club means that the annual budget can be set with confidence, knowing that any member who leaves will be promptly replaced and zero revenue will be lost.

Clubs without a history of waitlists need a better model, and I have seen it. Concert Golf Partners, among other well-funded golf operating firms, brings capital and management expertise to put these clubs on a sound long-term footing. These firms have a track record of recruiting new members, with professional sales efforts and exciting new capital improvement projects they fund themselves. Members just pay regular dues, with no assessments. As a result, memberships grow and these clubs are able to raise their initiation fees and thereby fund additional improvements. There is a virtuous cycle, just like elite clubs experience.

Knowing what I do now, I am encouraging my Board member friends at private clubs without a waitlist to learn about reputable, well-funded club hospitality firms like Concert Golf Partners. I have a strong appreciation for club culture, identity, and traditions - the most critical elements to the success of a private club. I believe Concert Golf has cracked the code to ensure that culture and identity remain unchanged. It may not be ripe for a Board decision this year, but as a fiduciary it really makes sense to explore given the consistent success these newly recapitalized clubs are experiencing.

