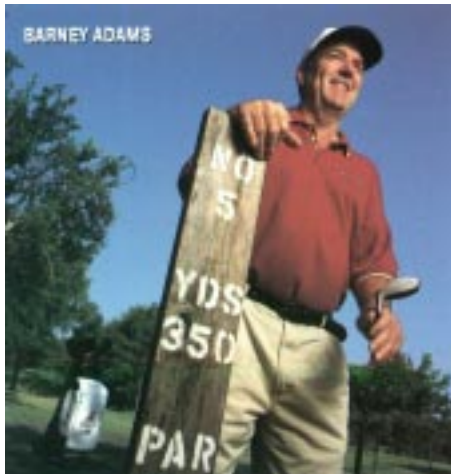


# Changing Course

If your market seems impossible to break into, consider turning your back on it altogether. It worked for the founder of Adams Golf Inc. (#211). When he couldn't sell the golf clubs he manufactured, Barney Adams decided to sell a service instead. Only when he had resigned himself to that did the clubs themselves actually take off. "Some guy would call and say that he never saw his friend hit the ball so good," Adams says, "and how could he get one of our clubs?"

Adams knew he had good clubs back when he started the business, in 1987. But, like everyone else's, the clubs had to conform to strict design limits, meaning



that "you never get in a position where your product is two or three times better than someone else's," he notes. With product-performance levels nearly indistinguishable, image sells. As an unknown making cold calls to distributors, Adams found himself on the receiving end of lots of clicks. "Nobody would take a chance on a company that nobody's ever heard of," he says.

Adams was trying to drive into the roughest part of his market: 85% of golf clubs and other accessories are sold "off-course," in specialty golf and sporting

goods stores and other retail outlets. That's also where the big competitors roam, spending up to \$50 million a year on advertising and celebrity endorsements. With sales of less than \$100,000 in those early years, Adams could hardly compete.

So he didn't. He carried his clubs to the golf course, where a mere 15% of all clubs and accessories are sold through pro shops. He followed the lead of one or two small club manufacturers, offering custom-fitted clubs to clients. Adams traveled the country, setting up fitting sessions on driving ranges and courses. After analyzing a client's swing, he'd fly back to Plano, Tex., where his inhouse manufacturing team—early on, it consisted of himself—could crank out a set of custom clubs in two to four days. After a year, he started teaching pro shops how to fit the clubs, and by 1992, annual sales had climbed to almost \$300,000.

Although Adams had always had the means to sell his clubs "off the-shelf," or individually, "I couldn't give them away" he says. Then, five years after he had retreated into custom fitting, Adams started getting phone calls. "Within a few months we went from zero calls to 20 to 30 a week for our Tight Lies club," he says. "We had never had calls for a club in our entire existence." The patented fairway wood is designed to help golfers get balls airborne more easily, whether from the rough or from a poor fairway position.

Adams called managers into an emergency meeting. "I think we have a stand alone product," he said. "How do we sell it?" Mark Gonsalves, vice-president of sales and marketing, recommended hiring

telemarketers to call retail accounts. "But those are the people who call me at home at night and try to sell me things I don't want," argued Adams. Gonsalves won out, explaining that independent sales reps wouldn't devote enough time to the relatively unknown product.

From 1995 to 1996, sales exploded from \$1 million to \$3.5 million. At the same time, the custom-fitting business tripled, although it accounted for just 10% of revenues instead of 90%. Adams has landed more than 6,000 retail accounts, and the dozen telemarketers don't get as many hang-ups.

This past spring, Adams debuted a 30-minute infomercial chock-full of celebrity endorsements. "Carol Mann, in the Ladies Professional Golf Association Hall of Fame, asked us if she could be in the show," says Adams. Sales are projected to hit \$30 million by the end of 1997. Finally, Adams Golf is driving with the big boys.

—Phaedra Hise

