

## Generating revenue that is out of this world

Although predominantly the domain of golfing resorts to date, GPS Industries are hoping the business acumen and golfing insight of Greg Norman will help take Global Positioning System technology to the masses.

Although Hope Island on the Gold Coast has made use of GPS technology for a number of years, it is still relatively new to the Australian golf industry and finding a way to make more widespread use of it has been the goal of many companies.

GPS gives golfers a pinpoint position of distance to features on the golf course such as bunkers, trees, lakes and of course the green and has gained broad acceptance across North America and also in Europe.

GPS Industries has the complete cart-mounted Inforemer system installed at Brookwater Golf Club while the hand-held black and white Inforemer systems have proved popular among visitors to Noosa Springs on the Sunshine Coast.

The Inforemer System is the golf industry's first fully-integrated GPS system, providing a range of services including accurate distance



The GPS Industries systems can either be mounted directly onto carts or distributed as a hand-held device.

measurements to flags and hazards, electronic scorecard and two-way communication abilities.

Making GPS accessible to other golf clubs throughout Australia is now possible with the introduction of a hand-held system produced by GPS Industries and financing alternatives that will incur no initial expenditure by clubs.

Brad Allen is the Director of Operations, Australasia for GPS Industries and has little doubt that just as golf carts have become an accepted part of today's golfing landscape, GPS will continue to prosper in the marketplace.

"Basically any club can take our system and one of the programs I am looking at is a way to get our black and white hand-held systems into more traditional golf clubs as a revenue item for them," Allen told GMN.

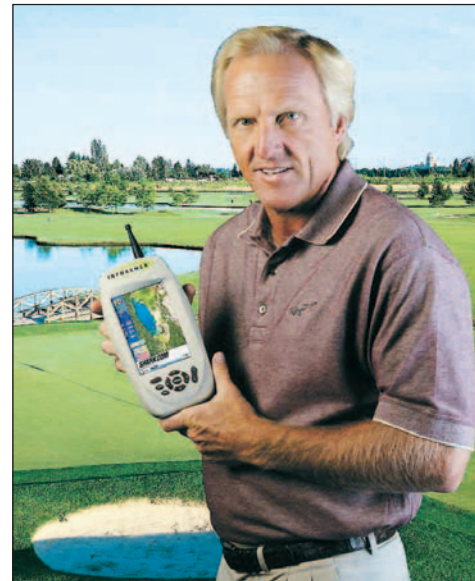
"Because of the flexibility of the cart-mounted or hand-held systems, clubs can choose which option is best suited to their clientele, whether it is a members club or the luxury resort that wants to provide the complete experience.

"One option we are currently investigating is rather than charging the club an initial outlay, we will share the revenue at clubs where they offer it as an optional extra to their members, social groups or for corporate days.

"So if it costs a golfer \$5 to use the system the club would retain \$2.50 and we would take \$2.50, so it costs the club nothing and brings in an additional \$2.50 in revenue whenever it is used.

"Everything is negotiable in terms of how the arrangement is actually structured including some situations where there is no cost to the club, we bear the costs of the initial installation and work out a suitable revenue arrangement."

Having researched the use of GPS technology last year Norman looked at the companies



Having conducted extensive research personally, Greg Norman recognised GPS Industries as the company to align himself with in trying to expand the use of GPS technology in golf clubs.

producing golf course systems and subsequently chose GPS Industries over other suppliers.

"How do you catch the Great White Shark? Lure him in with great technology," Norman said at the product launch in August 2003.

Norman joined the Board of Directors of GPSI at that time and has had significant input in making the technology more accessible to the broader golfing public.

"His input concentrates very much on what golf courses need and also what the golfers need but his main input is without doubt concentrating on the needs of developers and General Managers," Allen revealed.

"He is very focused on introducing features that will make their jobs easier, of having aspects

that will enable them to generate additional revenue and making them easy to maintain and use."

Adopting wider and more diverse revenue streams has become something of a catchphrase amongst the Australian golf club industry over the past five years and Allen insists offering GPS is a way to make money, not spend it.

"Potentially I believe there are probably 400 courses in Australia that could introduce GPS systems into their club and make money from them," he said.

"At both Brookwater and Noosa Springs we have shown that golf courses can make money from GPS and that is the model we are taking to other courses.

"This is not something that is going to appear on the wrong side of the ledger at the end of the year. It is a feature that is actually going to generate revenue as well as enhancing the experience for members and visitors to your course.

"We have some excellent advertising capabilities with this system, there is additional revenue from food and beverage and many courses simply elect to pass the cost directly on to the players.

"We are the only GPS provider in Australia that offers wireless broadband capability so any house within three kilometres of the course can tap into wireless broadband internet, with a majority of revenue from the service going straight to the club.

"I have no doubt that it will take the Australian golfing industry a while to take up GPS and gain an appreciation of what it is capable of doing. What we have to do is stop people worrying about new technology and how it works and concentrate on the fact that it is a way of making easy money."