



Guidelines for Online Distribution of Tee Time Reservations

The following guidelines have been adopted by the National Golf Course Owners Association and are endorsed by The PGA of America for consideration by golf course owners or managers ("Owners") in regards to each Owner's relationship with third party online booking agents or intermediaries ("Online Agents") for tee time reservations ("Reservations").

1. Open Marketplace. Non-exclusive contracts between Owners and Online Agents promote competition because they allow Owners to offer Reservations through multiple Online Agents. Where vendors offer tee sheet, point-of-sale or cloud-based web services supporting Owners' websites or facilities ("Software and Services Vendors"), such services should support distribution through unaffiliated Online Agents and not require participation with an Online Agent affiliated with that Software and Service Vendor. Owners should support the adoption by Software and Service Vendors and Online Agents of consistent technical standards for connectivity and content to facilitate an efficient, open marketplace.
 - a. Implications- *Just as is done in the travel industry, golf course operators should be free to work with multiple Online Agents at the same time under consistent technical standards. "Force bundling" of tee time services with POS systems can be problematic because it limits choice and can lead to higher prices.*

2. Display Integrity. Online Agents should maintain an accurate display of available Reservations free from misrepresentation or inappropriate display bias. All available Reservations for a particular request should be displayed to avoid misrepresentation of true availability and pricing should include all taxes, fees and other charges to the consumer. Online Agents should have processes to screen consumer reviews and ratings for fraud (for example, by accepting reviews and rating only from customers who made a Reservation and actually played) and should have a process to receive and display Owner input relating to content or reviews.
 - a. Implications - *Online Agents should not deceive consumers when showing tee time availability or user reviews.*

3. Price Integrity. Each Owner should set its own prices, including discounts and floor prices for its tee time inventory, and Online Agents should offer Reservations at the same prices as offered on the Owner's web site. Owner and Online Agents should negotiate discounting policies for bartered tee time inventory. Any discounting through barter or otherwise, including maximum allowable discount, should be specifically agreed upon by Owner and Online Agent in writing and relate only to a Reservation for a specific time and date. To avoid consumer confusion, each Owner is encouraged to ensure undiscounted published reservation pricing displayed by Online Agents is the same as pricing displayed on Owners' web sites.
 - a. Implications - *Just as currently done by hotels and airlines, each Owner should control its tee time pricing, including maximum allowable discounts, with Online Agents within written agreements for the pricing of barter inventory. For other than barter tee times, the lowest price for a tee time should be made available on the Owner's site to avoid consumer confusion.*



4. Compensation of Online Agents. Online Agents are entitled to reasonable compensation for booking reservations for Owners. Owners should have several options to pay for the service, including, but not limited to, commissions, cash for services, or barter with a maximum allowable discount set by Owner and mutually agreed upon by Owner and Online Agents. Each Owner must negotiate its own compensation arrangements with each Online Agent. Online Agents should provide the necessary data to allow Owners to calculate the equivalent cost for these compensation methods.

Separation of POS systems, tee sheet, and web portal - POS system and tee sheet customers should not be required to utilize the web portal or other services from the same vendor. Owners should consider the following choices for payment.

- i. Cash: Owners and Online Agents to mutually agree on a cash price.
- ii. Commission: Owners and Online Agents to mutually agree on commission percentage which could include a cap on the number of tee times per day that are subject to the commission.
- iii. Barter: Trade tee time or times subject to negotiated maximum allowable discount: The Owner should always be able to set the maximum allowable discount as mutually agreed by Owner and Online Agent for all barter round or rounds supplied by the Owner.
- iv. Lease: Software may be leased on a yearly basis.

POS system and/or electronic tee sheet vendors should supply a tool to the user so that user can manage multiple distribution platforms on an automated basis. As a result, the user can set the price for non-barter rounds of golf and automatically apply that price to any channel that the user utilizes.

- a. *Implications - Online Agents should offer all Owners options on how they get paid including barter if so desired by the golf course. In doing so, the tee time provider should make sure the Owner has all information necessary to make an informed decision.*

5. Marketing. Advertising opportunities with Online Agents may help an Owner build its brand and drive traffic directly to an Owner's website. Online Agents should not purchase keywords in search engine marketing that include the golf course name, or any other trade name, trademark or other intellectual property belonging to an Owner without the written consent of the Owner. Online Agents should accurately reflect the availability and pricing for tee time inventory for golf courses participating on their platform and not make any representation of availability and pricing for tee time inventory for courses not on their platform. Owners not participating in the Online Agents network are to be clearly described as not part of the network in order to eliminate consumer confusion.

- a. *Implications - Online Agents should not buy search terms for golf course names without Owner's written permission.*

6. Payments for Reservations. Online Agents who accept payment from consumers for Reservations should remit balances owing to Owners not more than 30 days from the date the



Reservation is played. Online Agents accepting payment should comply with the appropriate Payment Card Industry (PCI) standards. Owners are encouraged to manage any credit risk associated with receivables from Online Agents. Owners should ensure that Online Agents are collecting and paying all sales, use, ad valorem, or other taxes or fees imposed by any governmental regulatory authority on the sale of Online Agents' barter rounds to avoid the imposition of such taxes and related penalties on Owner.

- a. *Implications - Payment terms should be industry standard and PCI compliant and Online Agents should demonstrate to Owners that they are collecting and remitting all sales, use and other similar taxes related to sales of barter inventory.*
7. Mobile. Owners should require Online Agents to maintain robust mobile offerings, including mobile web and apps for IOS and Android. Owners are encouraged to build similar robust offerings for their direct web sites and Software and Service Vendors should be urged to support mobile offerings.
 - a. *Implications - Mobile is the future of all digital content and services - the golf industry will be no different than any other. Online Agents and golf course operators must create compelling mobile experiences for consumers.*
8. Yield Management. Owners should utilize pricing strategies with their own tee time inventory and with inventory offered through Online Agents that realizes maximum revenue and profit from their operations. Revenue management involves strategic control of inventory to sell it to the right customer at the right time for the optimal price which may be higher or lower than the standard price offered.
 - a. *Implications - Yield management is a large revenue generator for several major industries (airlines, hotels, advertising) and can be similarly impactful for golf course operators to improve topline and bottom-line performance.*
9. Data. To the extent legally permitted by applicable federal and state privacy laws, Online Agents and Software and Service Vendors should provide comprehensive and transparent reporting of all data (delivered to Owners on a consistent, regular basis, as such is mutually agreed to by the parties and in a format mutually agreed to by the parties) necessary to assist Owners in serving the customer and in measuring the return on investment and effectiveness of marketing, including customer name and email address, impressions, clicks and Reservations by device and channel. Data should be transmitted regardless of the platform or portal on which the tee time was booked. All data should be provided to the Owner at time of Reservation. Software and Services Vendors should offer yield management tools to allow the Owners to adjust pricing based on projected demand and push that pricing to its web site and other distribution channels.

When Online Agents and Software and Service Vendors are legally able to provide such Data, Owners may be required to limit their use of such Data exclusively to marketing and database development for the Owners and not sell or share such Data with third parties.



In such instances where applicable federal and/or state law prohibits the sharing of such Data, Online Agents and Software and Service Vendors should work with Owners to proactively drive “opt-in” data collection for Owners.

For tee time reservations made through Online Agents’ website/portal, Owner is to receive customer data consisting of customers first and last name made at the time of reservation; for tee time reservations made through Owners website, Owner will retain exclusive use and access to all customer data collected at the time of reservation (e.g.; which may include name, email address, phone number and/or street address)

- a. *Implications* - Both the Online Agents and golf course operators should have shared data ownership where permissible by applicable law. If sharing of certain elements of Data is prohibited by applicable law, Online Agents should promote “opt-in” collection methods for consumer email and contact information to allow use by golf course operators. Golf course operators may be restricted to use of such Data for their own marketing initiatives when such Data is collected through the Online Agents.

10. Contract. Written contracts between Owners and Online Agents are a sound business practice. Each Owner should negotiate terms that best meet the Owner’s business objectives. Owners should make sure they understand all terms of any such contracts, including the termination process and potential termination penalties as well as the mutually agreed upon maximum allowable discount for barter rounds, if any. Owner always has the right to seek legal advice before signing any contract.

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