

THE MOON FAMILY

The owners of Sam Moon Trading Co. showcase versatility with their flourishing, golf-industry venture at Coyote Ridge Golf Club

By Mark Button

When successful entrepreneurs reach a certain point in life and business, they often reward themselves with a luxurious purchase. You know, something over the top that says, “I’ve made it.” For some, this ultimate material possession could be a private jet – or a fleet of them. Others might covet a cliff-side mansion that overlooks the Pacific Ocean or a lavish, 90-foot yacht.

David Moon wanted a golf course.

The first-generation Korean and founder of Sam Moon Trading Co. acquired the object of his dreams in 2005 when he bought Coyote Ridge Golf Club in Carrollton for about \$5 million. Quite a hefty price tag for a self-bought gift, but hey, Moon earned it and already has seen a return on his investment. Moon made the club profitable inside of two years – no simple task – by employing his proven retail business philosophies.

“It’s not easy to make money in the golf industry,” said Sam Moon, David’s oldest son and president of Sam Moon Trading Co. “Buying a golf course doesn’t really make much monetary sense. The number of golfers is going down and round prices are going down. So it’s a very tough business, but my father has a passion for the game.”

He also has a zeal for entrepreneurship.

Since starting Sam Moon Trading Co. in 1984 with five employees, including himself, his wife In Sun and sons Sam and Daniel, David Moon has built his company into a highly diverse, multi-million-dollar enterprise.

“It’s a genuine group effort,” said Daniel Moon, the company’s attorney and vice president. “You have to check your ego at the door; we do everything as a team.”

The collective effort from the family helped Moon grow from its modest beginnings to such a success. Moon began with a 7,000 square-foot operation that focused on selling women’s accessories at wholesale prices to retailers, and he shaped the company into one of the Southwest’s most successful retailers of women’s handbags and jewelry.

Moon and his family now own three retail shopping centers, ranging in size from the 40,000 square-foot Sam Moon Center Frisco to the 130,000 square-foot plaza in Dallas off Harry Hines Boulevard to the brand new, 156,000 square-foot shopping center in The Woodlands north of Houston. Sam Moon Trading Co. has evolved from a strictly business-to-business outfit to a retail venture that has spawned two, highly successful spin-off stores: Sam Moon Luggage & Gifts and Sam Moon Home Décor.

It’s this type of willingness to branch out that has helped make Coyote Ridge profitable so quickly. In addition to spending nearly \$2 million in course upgrades – the Moons added about 400 trees to the formerly links-style front nine and re-did all the course’s bunkering, replacing the hard, brown sand with a softer, white variety. They also tore down a perfectly fine 5,000-square-foot clubhouse and constructed a massive, multi-functioning clubhouse that’s five times larger than the old one. It’s the Taj Mahal of clubhouses at public golf courses. The project cost about \$6.5 million, but the Moons again have made the asset pay off, thanks to keen business sense.

“It [Coyote Ridge] is profitable because we do more than just golf,” Sam Moon said. “With the new, 25,000 square-foot clubhouse, we’re able to host parties, tournaments, banquets and weddings. To make money in the golf business these days, you have to be able to do those different things. It’s hard to make money just charging green fees. We’re already making money doing these different things.”

Cultivating a versatile business portfolio is something that David Moon has been doing ever since he came to the U.S. in 1969. He started out working for a company that manufactured and sold wigs. Soon after, the company expanded, Moon was promoted to manager and was re-located to Memphis, where he oversaw the wig business there.

Moon wanted to own the Memphis branch outright, so he eventually purchased it. He also dabbled in a men’s clothing retail business and ran a neighborhood supermarket. Moon ran



(from left to right) David Moon, Sam Moon and Daniel Moon

the three businesses simultaneously until 1983, when he decided he wanted to move his family to a more metropolitan city with a greater Korean presence and more business opportunities.

After looking at San Francisco and Los Angeles, Moon settled on Dallas. The north Texas city had everything he wanted – more Koreans, a bustling economy and ease of travel – plus it was the perfect locale for Moon's next big business endeavor. Through his business contacts and network of friends, he learned of several thriving wholesale companies on both coasts that sold women's accessories to retailers.

In The Bag: DAVID MOON

Age: 67
Occupation: Founder/Chairman, Sam Moon Trading Co.
In the bag: Maruman driver, 3W and 5W, S-yard Maruman irons 4-SW, David Whitlam putter
Club affiliations: Prestonwood Country Club
Handicap: "About 11-12."
Low round: 75, shot in 2002 at Los Verdes Golf Club (Calif.)
Favorite courses: Coyote Ridge Golf Club, Los Verdes Golf Club and Pelican Hills Golf Club (Newport Beach, Calif.)
Dream foursome: Tiger Woods, Davis Love III and Fred Couples
Family ties: He and wife In Sun have three children: son Sam is 40 years old, daughter Susie is 38 and son Daniel is 34.

In The Bag: SAM MOON

Age: 40
Occupation: President, Sam Moon Trading Co.
In the bag: Ping G5 driver, Cleveland Rescue woods (19 and 21 degrees), Callaway Fusion 4-SW, Cleveland 60-degree copper wedge, Scotty Cameron Futura putter
Club affiliations: Gleneagles Country Club
Handicap: "About a 20 right now."
Play frequency: "About once a week."
Low round: 82, shot in 2002 on the King's Course at Gleneagles. "I wasn't really trying too hard. The next thing I knew, I was shooting really well. As soon as I found out how well I was shooting, I started to mess up a little bit. For the most part, everything was effortless. Just fairways and greens, two-putts and getting a lot of pars."
Favorite courses: The Ocean Course at Cabo Del Sol (Mexico); The South Course at Pelican Hills Golf Club (Newport Beach, Calif.); The Challenge at Manele Bay (Hawaii)
Dream foursome: Tiger Woods, Phil Mickelson and Michael Jordan
Family ties: Married wife Sandra Kim in 1990; daughter Lauren is 15 years old, and son Sam Jr. 12.

At the time, it was an innovative idea, and Moon found that no one in Dallas was pursuing it. Midwestern retailers were buying their products from wholesalers on the East or West Coast, and Moon knew he could provide that type of opportunity from a much closer – and logistically convenient – location.

"I've always been very forward-thinking in finding concepts," David Moon said. "When I see something I like, I go for it. I don't procrastinate or think and ponder over it too much. When I heard about other people doing wholesale business with women's accessories, I knew right away, in my heart and gut, that it was going to do well."

Did it ever ... but not right away.

The first challenge was acquiring customers. Moon reached out to smaller retail stores in the Texas-Oklahoma-Arkansas-

Louisiana region, but it was a laborious mission. Moon printed flyers that explained his business and attended trade shows and frequented flea markets to get the word out. He'd go to the Dallas Apparel Mart and tell people they could come to his store on Harry Hines and instead of placing their orders and awaiting shipment, they could purchase their products at better prices *and* receive the merchandise that same day.

Once that concept sunk in, Sam Moon Trading Co. started to see decent results. Moon plodded along, seeing modest, yet promising, annual growth. Then, between 1987-88, something interesting started to happen.

Women started showing up at the store, cash in hand. They wanted to buy Sam Moon Trading Co.'s products. Problem was, Moon couldn't take their money. As a wholesale outlet, he could only sell to retailers with verified tax certificates.

"They'd come in with big groups or try to use their husband's tax permit and want to buy, but we couldn't sell to them," Sam Moon said. "We kept turning people down and they'd say, 'Why are you guys making it so hard for us to shop?'"

Eventually, it became an almost daily occurrence. As public demand soared, Moon also saw a dip in his retail clientele. Wal-Mart started dominating the retail business in mid- and small-sized towns in the region, and the Moons began to lose some of their mom-and-pop retailers.

It was time for a change.

"So in 1990, we re-focused our business strategy," Sam Moon said. "We started selling to the public – but we never raised our price point. So all these women across Dallas were getting our products at the same prices as the retailers. That's why we became so popular: because women were able to get really trendy fashion merchandise at such great prices."

It was about this time when Sam Moon received his Business Administration/Marketing Degree from the University of North Texas. After the move from Memphis, Sam Moon spent two years at Lamar High School in Arlington before scooting up Interstate 35 to Denton in order to sharpen his business acumen. While there, he worked about 30 hours a week back in Dallas for his father's store.

"It was a no-brainer for me to join the family business [after graduating from UNT in 1990]," Sam Moon said. "I pretty much had no choice. You're put in that situation where you have to help the family business. That's pretty much all I knew: going to school and having a good time with my fraternity brothers, but also working hard for the family business."

Sam Moon's younger brother, Daniel, said he couldn't wait to get into the family business. He said his father always wanted an attorney in the family, one that could work as legal council for the family business. Daniel Moon volunteered, and after graduating SMU undergrad with an accounting degree, he received his law degree from SMU in 1999.

"The advantage [to working for the family business] is that you have a built-in trust factor," Daniel Moon said. "You never have to worry about someone doing something behind your back or having ulterior motives. The biggest challenging is understanding everyone's personalities and everyone's role within the

company and the family. Once you have that, though, it's really pretty simple."

Sam Moon likened Sam Moon Trading Co. to "a Home Depot for women's accessories." Extremely shopper-friendly, the showrooms feature rows and rows of tables stocked with the latest in women's accessories, from handbags and costume jewelry to belts and scarves. There are no shoes or clothes; the Moons stick to what they know best – accessories.

"Everything is displayed in quantities," Sam Moon said. "We don't have 'onezees and twozees.' All of our tables are stocked with 12 or 24 of the same items. We just do so much volume. We still sell at wholesale prices, and we try to sell more quantity, so we make less margin."

It's a beautiful model because everyone wins. The consumers get high-quality goods at wholesale prices, and the Moons clean up because of the high volume of product that is constantly moving out the door.

After the success of the Moons' two spin-off stores – Sam Moon Trading Luggage & Gifts, introduced in 1994, and Sam Moon Trading Home Décor, launched in 2004 – David Moon dreams of buying and operating his own golf course became more realistic.

"He has a passion for the game," Sam Moon said of his father. "He loves the game. When the weather is good, he plays four or five days a week. He's constantly trying to improve. He wanted to be part of the golf industry and golf business."

David Moon set his sights on Coyote Ridge mostly because of its location in North Dallas. Moon lives in Plano, and his church of 20-plus years is near Coyote Ridge. Since buying the club in 2005, David Moon has turned over the bulk of the Sam Moon Trading Co. duties to his sons.

"My dad likes to concentrate on guiding the golf course," Sam Moon said. "Now, instead of spending all his time at Sam Moon Trading, he spends a quarter of his time trying to improve the golf course. All tree additions and course upgrades were his thing."

Next up for the Moons, along with continuing to improve the quality of play and overall experience at Coyote Ridge, is the expansion of Sam Moon Trading Co. to Fort Worth. Ground has broken on the Sam Moon Center Fort Worth, and in October 2008, the 165,000 square-foot shopping center will open, with Sam Moon Trading Co. occupying about 50,000 square feet of it. The Moons also want to grow their store concepts outside of their shopping centers so they can get into more markets quicker.

"What's happening now is we are developing shopping centers and growing [the stores] and developing [the shopping centers] at the same time," Sam Moon said. "So it's taking a little longer to grow. We're coming up with a different business model now, where we're actually going to open up Sam Moon Trading Co. Jewelry & Accessories stores and try to be by ourselves and not develop shopping centers at the same time."

"It's a lot easier to go in and rent something and you can open a store a lot quicker. We're looking at San Antonio and Austin, possibly another location in Houston." **AG**

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