

December 6, 2011

Hello,

Happy Holidays to our wonderful KZG Dealers! Please READ below and WATCH our Video Newsflash (<u>click here</u>). URL LINK: <u>http://www.kzgolf.com/layout9.asp?id=588&page=45544</u>

DECEMBER SPECIAL: KZG GRIPS!

Receive 15% off ALL KZG Grips. We have a wide selection to choose from, so stock up for the season today. If you order 50 grips you will receive a case discount of \$20 PLUS an additional 15% off.

Golfers love to customize their clubs not only with the right specs, but also with the color/style of their shafts, grips, and ferrules. Mike Keener of Marc's Golf (Palm Desert, CA) reports that his customers are always blown away when they have all of these options... they are like a kid buying his first car. Stock up today and MAKE IT FUN, FUN, FUN for your customers!

We have a special flyer to put on your countertop. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice, please contact Chris Lesser at <u>clesser@kzgolf.com</u>, ext 123, Skype: kzg.chris.

Woods/Irons	
The Player	Firm texture and exceptional tackiness preferred by avid players. Ribbed
	and non-ribbed available.
Silk	Vibration dampening air cells with a soft, silky feel; great universal
	appeal. Ribbed and non-ribbed available.
Cord	A firm, hard grip for avid players seeking the ultimate feedback from their
	shots.
Crossline	A classic. Tacky with medium firmness. The surface patterns increases
	hand traction and lowers torque.
Perma Wrap	Another classic. Exceptionally tacky with a soft, durable feel in a
	traditional wrap-style grip.
Silk 560	Vibration dampening air cells with a soft, silky feel for players with
	smaller sized hands.
Junior Tour	A soft, small grip for juniors reminiscent to the Crossline model.
Kangaroo Leather	A soft luxury grip that is both light and durable.
Cowhide Leather	A soft luxury grip that is heavier than the kangaroo model.

Putters	
Tour Touch	Soft feel in a premium rubber compound. Slightly larger than the popular pistol grip.
Pure Weave	Slightly wider feel with a high tech weave over a premium rubber base.
Smooth 110	A semi-oversized putter grip with a smooth, soft feel for exceptional performance.
Cabretta Leather	An amazingly soft and classic looking grip made from the best leather in the world.



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FINAL CALL: WORLD'S TOP 100 CLUBFITTERS APPS

Applications for the "World's Top 100 ClubFitters - 2012" are due **December 15th, 2011**! It is free to apply, so don't miss out on a wonderful opportunity to be recognized.

This is the 7th year we have honored the best of the best. The "Top 100" is a great marketing tool to help differentiate you, a true qualified professional, from the tens of thousands of sales people in stores and teachers who falsely claim to be "professional fitters". We all know there is a huge difference, but unfortunately most of the public still is ill-informed. Winners receive a framed certificate, poster, use of the Top 100 logo, a special indication on our Dealer



Locator, press coverage and much more! You can also use the "Top 100" logo on your business cards and websites.

Many of you already have an application on file from prior years, so all you need to do is submit the **Short Form Application**. If this is your first time applying, you will need to fill out the **Standard Application**. Talk to your sales rep for more info. **Both applications are attached to this email**.

SPECIAL CONTEST – BEST NEW HYBRID NAMES!

We are designing two new HYBRID clubs and want your help naming them! If you submit the winning names, as voted on by our staff, we will add **\$200** to your account and give you the first ones off the line. Be creative but keep in mind we prefer classic, subtle names. Good luck! Please **REPLY** to this email with your name suggestions.

Here is some preliminary information that might help you:

- Maraging face insert, mid profile design.
- The hybrid is "wood" shaped with roll & bulge.
- It will have a .370 bendable hosel.
- Two versions: low handicap and high handicap (offset and profile different).
- Relatively traditional cosmetics (solid black crown).

MARKETING TIPS: SHOW YOUR HOLIDAY SPIRIT!

The holiday season is upon us - the most wonderful time of the year. Unfortunately, for many of you that means snow-filled courses and limited golf sales. However, that should not stop the inner marketer in you to take advantage of the gift season.

Here are 8 tips to spruce up your store, get into the holiday spirit and make a few extra sales.

- 1. Display a few KZG products in wrapped gift boxes.
- 2. Be sure you have KZG gift certificates handy and on display in a frame.
- 3. Print out some "All I Want for Christmas is KZG" cards (on the Resource Page).
- 4. Offer your customers Christmas cookies and eggnog when they are in your shop.
- 5. Throw a "Holiday Party" for your loyal customers.
- 6. Have a holiday raffle or in-store contest with small gift wrapped prizes.
- 7. Send out holiday cards in the mail with "present voucher" inside, redeemable at your shop.
- 8. Don't be shy with the decorations! Bring out the Christmas lights, tree, wreaths, fake snow and stockings! Play XMAS music on a loop... people love it!





INDUSTRY UPDATES

Aldila's shaft sales declined 18% in the third quarter compared to 2010. For the first 3 quarters of 2011, Aldila has experienced a net loss of \$1.4 million. Tough times.

Adams Golf is now offering club fitters and customers HITfit – a free, internet based application that can take the data from a couple swings and provide guidance on the number of hybrids and optimal gapping a person needs. We tried it and it takes 1 min. to perform... I guess Adams believes that is how long a real fitting should take.

Nike is making some noise as it publically said it is looking to become the #1 golf brand in China. China's domestic golf market's total sales exceeded \$472 million in 2010. Nike believes China is positioned to be the fastest growing golf market in the world over the next 5-10 years. I don't doubt it... smart move Nike.

Thank you for a great year... we couldn't have done it without you!

KZG will be closed Monday, Dec. 26th and Monday, Jan. 2nd in observance of the holidays. From all of us at KZG, we wish you a Merry Christmas and a very Happy, Healthy and Prosperous New Year!

Warm Regards,



Nov. 1, 2011

Hello,

Please take the time to READ below and WATCH our Video Newsflash (click here).

Video URL: http://www.kzgolf.com/layout9.asp?id=588&page=45544

WORLD'S TOP 100 CLUBFITTERS – APPLICATIONS

We are officially starting the application process for the "**World's Top 100 ClubFitters - 2012**". This year marks the 7th year in a row we are honoring the best fitters from around the globe.

The application deadline is **December 15th, 2011**!

The Top 100 is a great marketing tool to help you differentiate yourself from the competition. It's a great way to distinguish your abilities from every golf store salesman that claims to be a professional fitter. In the past, some of our Top 100 recipients have received newspaper articles (one fellow received 4 front page articles in 4 different newspapers), magazine articles, radio show spots, television show spots, jobs with golf schools, and top fitting positions for famous teaching professionals. Plus, it is always a



thrill to be a part of the 'crème de la crème'. And frankly, it does wonders to increase your business.

Winners receive a framed certificate, poster, use of the Top 100 logo, a special indication of your status on our Dealer Locator, press coverage and much more! You can use the Top 100 logo on your business cards and websites. One fellow had a two story building, so he had a huge banner made to hang on the side of the building to report his win. Others have used it on their telephone message machines and sent out news blasts to their customers about their win.

Many of you already have an application on file, so all you need to do is submit the **Short Form Application**. If this is your first time applying, you will need to fill out the **Standard Application Form**. **Both applications are attached to this email** (email <u>clesser@kzgolf.com</u> if you need it as a *.PDF).

Winners will be announced the first week of the year. So don't delay... don't procrastinate... send in your application today!

IPAC UPDATE

IPAC is the only non-profit organization for professional fitters who work through a legitimate retail venue. Yes, there are several other associations that do a very good job



working with the hobbyists and home shops; however, you are already a qualified professional fitter and IPAC should be your association.

The goals of IPAC are to raise the bar for the profession, to educate the public on what to expect and where to go for a bona fide fitting, and to assist those who wish to learn the profession. These are worthy goals and we need everyone to participate. Together we have a louder voice!

More than ever the profession is being challenged. Software is being introduced that spews out "the ideal custom club" for the golfer with a push of a button. Every golf store claims its salesmen are professional fitters. Any person with a launch monitor claims to be a fitter. Every teaching pro claims to be a fitter. Crazy!

Help us, help you. We need everyone to participate and help us educate the public on the reality of what it takes to be a professional fitter. The public is being duped every day.

IPAC members are listed on the IPAC website, they can use the logo on their websites and business cards, and they will receive a certificate, brochure pack and beautiful poster.

The deadline for IPAC dues is Jan. 1st, 2012. Please renew or consider joining this great nonprofit organization committed to custom fitting. Next year, IPAC is planning another IPAC Expo, more fitting resources, POP materials and other ways to help promote clubfitting and educate the public on what to expect in a real fitting.

You can download the dues form <u>here</u> or simply tell your KZG Sales Rep to charge the dues to your credit card. Late fees will be applied if dues are not received by Jan. 1st, so please don't procrastinate! The cost is \$150 for Founding Members and \$225 for Members (same as last year).

All IPAC members are currently enjoying an extra 6 months of membership for FREE thanks to its sponsors' gracious support. The primary reason for the extension was to match up IPAC's fiscal year with its calendar year to alleviate the administrative challenge of collecting dues during the peak golf season.

Please visit <u>www.ipacgolf.com</u> to learn more or email <u>lesser@ipacgolf.com</u> if you have any questions.

NOVEMBER SPECIALS

Receive 20% off all KZG Towels, Hats, Visors, Shirts, Gloves, and Umbrellas. Kick off the holiday season by stocking up on these easy to stock, impulse gift ideas. Buy a few Christmas wreaths and deck out your store with KZG gifts! Also, don't forget to order some KZG pre-printed **gift certificates**!



November20% off KZG Towels, Hats/Visors, Shirts, Gloves & UmbrellasDecember15% off KZG Grips

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KZG DEALER STORIES

Greg Ashton (David Milne Golf Academy – Australia). David Milne has been consistently rated the top coach/teacher in all of Australia. And when you are the best, you need the best around you, and that is why David hired Greg Ashton to assist him not only with teaching, but also with clubfitting. Greg was a touring professional and knows that custom fit and custom built clubs are essential for a better game.

Greg recently spent a week in North Hollywood, CA at KZG Headquarters. He attended the October Fit School and filmed a great testimonial about why he partnered with KZG (Video Newsflash). *Greg is pictured to the right*.

'Buddy' Beem (Colorado Custom – USA). Buddy is "Uncle Buddy" to the junior golfers of Colorado. Gus Lundquist was this year's 5A State Champion along with 8 others in the top 20... and of course, they were all playing KZG!

Tim Nijenhuis (Nijenhuis Golf - Netherlands) – Tim fit one of his students into a set of Evolutions with BTR shafts. Shortly after he received it, the student holed his second shot on a par 5 for double eagle. WOW!

MARKETING TIP: LINK YOUR WEBSITE!

More web traffic = more sales! Please make sure your website has KZG, NovaTech and IPAC "links" on it. This will help search engines find you better and improve your website rankings (and ours!). Most of you already have a link to KZG on your site but I encourage you to add NovaTech (<u>www.novatechshafts.com</u>) and IPAC (<u>www.ipacgolf.com</u>) if applicable.

If you are not your company's website administrator, please relay this message to the appropriate person. If you need logos, product images or general website guidance, please give Chris a call at ext. 123.

INFO PLAQUES: M-SERIES IRONS & WEDGES

Three new 10" x 6" information plaques are now available (M-Series Irons, MW-I Wedges & MWC-I Wedges). We also offer plastic holders for slat or flat walls.

Great Display Idea: The M-Series Irons were designed to be sold as pure sets or as custom blended sets. We encourage you to "mix and match" the models if befitting the customer. You may want to display your M-Series Irons as a



blended set, so all 3 models are on show, and your customers can see the beautiful seamless progression.

INDUSTRY UPDATES

Several new Rules of Golf are being amended for 2012 including Rule 18-2b (Ball moving after address). This exception exonerates the golfer if his ball moves by outside forces after it is already addressed. The common example is a gust of wind moving the ball on the putting green. This rule change is already being praised by tournament players around the world.

Watch for increased prices in golf equipment in 2012. China is raising its minimum wage by 22% in April and the RMB is becoming stronger. The Japanese Yen continues to gain strength against other currencies with 5% increase in the exchange rate in just one month. Plan ahead, stock up now!

Callaway experienced a \$31 million dollar operating loss for the 3rd Quarter and a net loss of \$116.7 million dollars thus far in 2011.

Have a terrific November... thank you for all of your support!

KZG will be CLOSED on Thursday, Nov. 27th and Friday, Nov. 28th due to the Thanksgiving break.

Kind Regards,



October 6, 2011

Hi there,

Please take the time to READ below and WATCH our Video Newsflash (<u>click here</u>). URL LINK: <u>http://www.kzgolf.com/sites/courses/layout9.asp?id=588&page=45544</u>

Thank you for a great 3rd Quarter! Our sales were up, so we know many of your sales were up. We truly appreciate your support and loyalty.

And a special thank you to those of you who gave us referrals for new Dealers. Your referrals are always the best, as you only refer the very finest fitters with the highest levels of skill and integrity. Surprisingly, some of you are reluctant to give us referrals, as if it will take something away from your business. Nothing could be further from the truth. The Dealers who give us referrals only want the best fitters to have KZG... it not only enhances and validates the KZG brand but it also enhances our network of the finest fitters in the world. Trust me it is a win-win-win for everyone!

OCTOBER SPECIALS

Receive 10% off the 'Q' Driver and 'Q' Fairway Woods this month. The 'Q' Driver is a high MOI, one piece vacuum cast head that offers outstanding performance for golfers of all skill levels. The 'Q' Fairway Wood is a high MOI, C455 cup face design that is quite simply one of the best fairway woods we've ever made.

October	10% off the 'Q' Driver and 'Q' Fairway Woods
November	20% off KZG Towels, Hats/Visors, Shirts & Gloves
December	15% off KZG Grips

We have a special flyer to put on your countertop. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice, please contact Chris Lesser at <u>clesser@kzgolf.com</u>, ext 123, Skype: kzg.chris.



The #1 Custom ProLine™

3rd QUARTER REVIEW

The third quarter is officially over. KZG sales jumped due to the popularity of our new M-Series Irons and Wedges. Our International Dealers, in particular, have reported very strong business

despite continued economic unrest. The majority of our Dealers either moved up in their pricing tier or stayed at the same level. Thank you all for your continued support and we are looking forward to a terrific Q4.

We would like to highlight a couple German Dealers that really took off with KZG this past quarter.

Bob & Son

Bob and Alistair Grandison are a dynamic father and son duo who are quickly moving up the ranks... so far they have doubled their business with KZG and are on the verge of being one of our newest Platinum Dealers. Bob & Son recently relocated to one of the most amazing indoor sports center in Europe that happens to be located in a tiny rural town.

Alistair is an IPAC member and World's Top 100 ClubFitter. In May, Alistair attended the IPAC Conference in Hannover, Germany and was able to meet and share ideas with many of his professional peers. Bob & Son have reported great margins and feedback as a result of pushing KZG's NovaTech Shafts. Keep up the good work gentleman!



Gary Milliner Golf

Gary Milliner is a new KZG Dealer who works out of a semi-private golf course in Grossensee, Germany. He has jumped to our 'Gold' tier in just a few months and is a real mover and shaker. Gary is also a teaching pro but wants to focus more on the custom fitting and building side... he believes this will really grow his business and has already invested in a new Trackman. So far so good!

KZG STORIES – ACES AND LONG DRIVE WINNERS

KZG Dealer and Mini-Tour Player **Sam Goulden** (Santa Monica, CA) knows a little something about making an ace. In fact, last week he made his 4th hole-in-one *this year*. All of his aces were made using a KZG Tour Evolution Iron! He is a firm believer in the 'Mental Game Approach' and has some great videos on his website: www.samgouldengolf.com. Check it out!





Mr. Kenji Fujiwara (Golf World Net, Japan) reported that one his female customers, Chika Kobayashi, won a Ladies Long Drive Championship using a KZG GF 460 LL Driver. She punched her ticket to Las Vegas for the REMAX World Long Drive Championship. Outstanding! Joe Palermo was playing only his 3rd round with his new MA-I set when he aced the 157m 3rd hole at Royal Fremantle Golf Club in Australia. The ball bounced once before hitting the flagstick and safely dropping in. We believe this was the first *hole-in-one* ever using an M-Series Iron... plenty more to come! Congrats to Joe and KZG Dealer **Stephen Herbert**!



MARKETING TIPS:

QANTAS RAFFLE!



Mike Dickerson (Golf MD, Kansas) is running a golf tournament raffle for the chance to win a trip for two to Australia. He bought the trips though our special partnership with QANTAS Vacations and will receive \$1,000 in KZG product credit as a bonus. Mike expects to break even or turn a small profit from the raffle's revenue. If everything goes as planned, he will do another Holiday Raffle come December. Terrific marketing Mike! To learn more about the KZG/QANTAS Vacation Packages contact Chris Lesser (clesser@kzgolf.com).

BE WARY OF GROUPON!

Group-based online discounters such as Groupon, Living Social, etc. are all the rage, but you must be careful if you plan on using these services to promote your business. One Midwest PGA Pro advertised a golf lesson for \$10 and received 3,000 buys! Sounds great, right? Well, in reality he will be so busy giving these discounted lessons that he won't have time to focus on developing his regular customers.





living**social**

Our advice is to try it but set a cap level and don't offer anything too good to be true because it will eat up your time and diminish your overall professionalism. You want to attract potential long-term clients, not just the one-and-done bargain hunters. KZG Dealer **Marvin Warren** (Sure Shot Golf Lab, TN) did a fitting deal through Groupon and received 20 buyers. Perfect!

PARTNER WITH OTHER BUILDERS

Jean-Michel Queva (Queva Clubfitting) and **Arnaud Smaghe** (Gard & Golf) are located in different parts of France, but they have each partnered with a great club builder (Fred) who is located in another part of France. Crazy? Not at all, they both realized their time is too valuable and wanted to focus on fittings and lessons rather than club building. Smart thinking!

If you don't know any builders to partner up with, KZG will be happy to build for you. We have the most precise build department in the industry!

INDUSTRY UPDATES

Trends: Early this year it was the 'white' driver and woods. Now the 'belly putter' is all the rage (again). Several Tour players have recently won using this non-traditional long style putter. Is this just the latest fad or do you think the belly/long putter is here to stay? **Give us your thoughts.**

The number of golf rounds played in August was down 1.4% in the United States. Year-to-date, play in the U.S. is down 3.3% versus last year. Hopefully warm weather and an economic boost will help reverse the trend.

Will India become the next major golf market? Ever since golf was announced as an Olympic sport, all eyes have been on China and East Asia. However, a \$150 million dollar hedge fund has recently been promised to boost Indian Golf... look for an increased presence in upcoming years.

Have a terrific October... thank you for all of your support!

Kind Regards,



September 1, 2011

Hello,

Please take the time to READ below and WATCH our Video Newsflash (<u>click here</u>). URL LINK: <u>http://www.kzgolf.com/sites/courses/layout9.asp?id=588&page=45544</u>

SEPTEMBER SPECIALS

Receive 15% OFF any KZG Golf Bag this month. We have a Tour Bag, Mini Staff Bag, Cart Bag, Stand Bag, Feather Lite Bag, Duffel Bag and Travel Bag. The Tour, Cart and Stand Bags are available in either Black/Red or White/Red. This special only applies to bags purchased through KZG Headquarters.

Sentember	15% off KZG Golf Bags, E\$Z Chipper & CNC Banana Putter
October	10% off the 'Q' Driver and 'Q' Fairway Woods
November	20% off KZG Towels, Hats/Visors, Shirts & Gloves
December	15% off KZG Grips

EXTRA SAVINGS: This month you will also receive 15% OFF the E\$Z Chipper and the CNC Milled Banana Putters.

CNC Banana Putter –

- 100% CNC milled from a block of the finest grade carbon steel.
- Superbly engineered and balanced.
- Outstanding feel and performance.

E\$Z Chipper –

- Guaranteed to help put the fun back into the game!
- The E\$Z Chipper is so easy to use it should be illegal.
- Great for beginners, ladies and seniors.

We also have a special flyer to put on your countertop for the bag special. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice, please contact Chris Lesser at <u>clesser@kzgolf.com</u>, ext 123, Skype: kzg.chris.



SPECIAL CLUBHOUSE EDITION – IRONS!

Attached to this email is a special edition of KZG's Clubhouse Newsletter. It is focused entirely on KZG irons. Every aspect of our irons is covered, including the various manufacturing processes, the different materials, the different designs, the new M-Series and the reason we carry so many models. There is also an article by KZG Dealer Lynn Griffin entitled "Fitting a Tour Player for Irons".



As with all of our Clubhouse Editions, it can be customized for your customer base... just contact our Marketing Director, Chris Lesser (clesser@kzgolf.com) and he will help you.

KZG DESIGN CONSULTANTS

KZG would like to thank our 2011 Design Consultant Team for giving us some great feedback and new product ideas. We have already planned the majority of our 2012 product lineup based on the input of these 10 Design Consultants, along with our own market research and projections. All of our Design Consultants are Elite Dealers and were hand selected by KZG based on their fitting expertise, their outstanding reputations and their loyalty and interest in KZG. These global Dealers represent an eclectic group of top fitters and help illustrate how diverse the KZG brand has become. Thank you again to these superstars who keep us on our toes and who are at the top of the equipment game!



J. Lynn Griffith Mike Dickerson United States United States

Don Irving Canada

Canada

Ed Robertson **Eddy Pelgrims** Scotland

Marten Nord Belgium Sweden

Richard Phillips Alistair Guthrie Kobus van Rensberg Malaysia New Zealand Germany

MARKETING TIP – THE LITTLE THINGS MATTER

Honest assessment time: On the customer service level, do you service your customers better than the average golf retail store (e.g. Golf Galaxy, Dicks or PGA Superstore)? We already know you offer superior fittings, but customers take away more than just the fitting experience when evaluating an "overall store experience". There are plenty of little things you can do to go the extra mile without having it cut into your budget.

Here are seven simple suggestions that will help set you apart from the generic stores:

- 1. Offer your customers a bottle of water or soda during the fitting appointment.
- 2. Send a "thank you" email after each club purchase.
- 3. Call your customers 3 months after a fitting and ask them how their game is going.
- 4. Mail your customers a Holiday or Birthday card that includes a special coupon.

- 5. Host a Customer Appreciation Day with some snacks, drinks and games.
- 6. Give a free KZG hat/towel/glove to customers that purchase a new driver or iron set.
- 7. Send them a customized copy of *The Clubhouse*.

All of the above ideas are either free or cost very little. People tend to remember these simple "gestures" and will tell their friends about it. You may not notice it right away, but it will make a BIG difference in your customer's lasting impression of you.

\$500 FOR A NEW DEALER REFERRAL

KZG typically opens up new accounts in the Fall Season as golf stores start preparing for the New Year. We are always looking for ways to find qualified clubfitters to represent the KZG brand and who better to help us find those fitters than our current Dealers. Please refer us your colleagues and friends. If any of them place a \$1,500+ opening demo order, KZG will credit your account \$500. Easy money!



Please talk to your Rep for more details. KZG's referral program is only valid if the Dealer places his or her opening order between Sept 1st and November 31st, 2011.

INDUSTRY UPDATES

- Golfsmith is opening up its first retail operation outside the U.S. It reached an agreement with Golfzon Co. and will be opening up a new store in South Korea.
- Aldila reported a net loss of \$979,000 in its first 6 months this year, compared to a net gain of \$1.4 million for the comparable period in 2010. Tough times.
- Mizuno Corp. reported that its net income increased 56.5 percent to 1.94 billion yen on a year-over-year comparison. However, it was primarily due to its footwear and apparel sales. Their golf sales actually fell 12.4 % for the quarter compared to last year.
- Cleveland is offering its new custom fitting program. They are sending out shafted clubs with no grips... on the end there is a tape marked "short", "medium" and "long" so you know where to cut the shaft, and then you can add the grip!
- Sadly, few retailers spec their special custom built orders received from the major brands; some retailers actually admit they are too scared to check... I pity the poor golfer!

Have a great September!

Kind Regards,



August 1, 2011

Hello,

We have lots of info for you this month, so please take the time to READ below and WATCH our Video Newsflash (<u>click here</u>).

VIDEO URL LINK: http://www.kzgolf.com/layout9.asp?id=588&page=45544

EVO vs. EVO II

The new Forged Evolution II Irons are here and demos are currently being shipped out. There are several new features on the Evo-II that will hopefully make it even more popular than the original.

- The Forged Evolution II has a slightly larger head profile; it is 2 mm taller and the sole is 1 mm wider than the original.
- The top line is still very thin.
- There is slightly more offset.
- The lofts are stronger.
- The leading edge is softer but feels the same as the original.

The overall result is that this is an easier club to play and more forgiving. We know you will love it so please make sure to bring in the demos today.

M-SERIES IRONS & WEDGES

The first demos of the M-Series Irons have arrived and full sets of these new irons are expected later this month.

As you know, I have always been adamant that forgings from Japan are superior. But the Chinese have come a long way in perfecting their technology, and frankly the vast majority of the golfers will be unable to tell the difference between the two forgings. We are working with the finest forging house, the same





one as the major brands use. We are also milling these iron heads for precision accuracy. I know you and your customers will appreciate the workability, consistency and feel of the M-Series.

I am also very happy to announce the launch of two M-Series Wedges: the MW-I and MWC-I. The MW-I is a traditional wedge for the better player and the MWC-I is a more forgiving cavity back wedge for the mid-to-high handicap player. Demos are due later out this month, so be sure to get your pre-orders in!

IPAC MEMBERSHIP DUES

IPAC is a wonderful non-profit organization that is dedicated to clubfitting professions like you. If you are not a member, I sincerely hope you consider applying for membership this year. It is important that professional fitters band together as a unified group, so we can educate the public on what a real club fitting is all about. Otherwise, every so-called golf professional will make the claim that s/he is a legitimate "professional clubfitter," even though these individuals do very little to improve a person's game. IPAC just had a terrific annual conference in May and everyone is very excited about the future of this organization.

Please discuss the importance of being an IPAC member with me personally, or with your rep. And please, visit <u>www.ipacgolf.com</u> to learn more. IPAC is currently collecting member dues for the 2011/2012 fiscal year.

MARKETING TIPS FROM THREE NEW PLATINUM DEALERS

Last month we announced 7 new Elite Dealers (Platinum & Diamond Only). What makes these Dealers so special and how are they growing their businesses? Well, for starters:

- All 7 Dealers sell on **quality** and **service**; none of them sell on **price**.
- All 7 Dealers insist on only selling their customers custom clubs that they "need" to improve their games. None of them give their customers simply whatever club they "want," because those clubs typically are highly advertised products that do little to help their games.
- 5 of the 7 Dealers are IPAC Members and are willing to share ideas and help educate the public on what a true professional fitter is all about.

So how are these new Platinum Dealers growing so much in a crazy economy? Read on to find out what is working for three of these Elite Dealers.





Davis Lauss (Golfclub Ottenstein, Austria)



Davis started his business after attending the KZG Certified Master Fitting Program. He reported: "I surprised myself on how quickly my business has grown, strictly on word of mouth referrals."

Davis plays a full bag of KZG clubs and when his customers ask him what he plays, he can honestly report all KZG. Davis is a very good player and shot a 67 in his club tournament... a fact that really helped his sales and reputation. After Davis fits someone for irons he will custom build one iron for that customer to test. He will take back the iron and fully refund the customer if he or she is not 100% satisfied. To date, every customer has said "build me the rest of the set!"

Eddy Pelgrims (Golf Fitting Studio, Belgium)



Eddy has the only PGA Certified Center in Belgium - quite an honor and an automatic referral source. He is also an IPAC member and a KZG Master ClubFitter.

Eddy reported that his business has grown by leaps and bounds since he started featuring KZG and eliminated many of the other brands. It is less confusing to

the public and he can fit every classification of golfer due to KZG's wide range of models.

Alistair Guthrie (The Old Clubhouse, Malaysia)



Alistair is a World's Top 100 ClubFitter and IPAC Member. He developed the "Prescriptive Fitting Technique" to help cure and alleviate a myriad of golfing ailments. This technique has proven to be quite successful.

But talk about reputation: Alistair has custom fit the King of his country. Plus, he has fit virtually all of the Malaysian touring professionals.

ANOTHER GREAT MARKETING IDEA



Paul Sanders, a leading PGA Teaching Pro and the owner of The Golfer's Edge of Western New York, has worked out a great marketing promotion. He has partnered with a local corporation for a special corporate event featuring the company's top 20 employees. Paul will be fitting every attendee with his Trackman and the winner will receive free clubs, courtesy of the company. And

what do you think the other 19 attendees will do? Surely some of them will come back to see Paul, as he has already fit them.

Is business slow? Don't just sit there, call businesses in your area and work with them on a special cross-promotional program.

AUGUST SPECIALS

You will receive an additional 10% off any Forged Sniper SRS

Wedge this month. The Sniper SRS is multi-forged and CNC milled for precision accuracy. It has a single relieved sole and is designed for golfers with a shallow swing plane. The Sniper is available in six different lofts and your choice of satin, chrome or black.

August	10% off the Sniper SRS Wedges
September	15% off KZG Golf Bags
October	10% off the 'Q' Driver and 'Q' Fairway Woods
November	20% off KZG Towels, Hats/Visors, Shirts & Gloves
December	15% off KZG Grips



We also have a special flyer to put on your countertop. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice, please contact Chris Lesser at <u>clesser@kzgolf.com</u>, ext 123, Skype: kzg.chris.

THE DISCONTINUED LIST

KZG has terrific deals, often way below our cost, on several older club head models. Typically, we dramatically reduce the price if we are completely out of a key loft. We never advertise these reduced prices to the public, so you can offer students, juniors, seniors, etc. a nice discount. Supplies are limited.

The following models are a few examples:

U-Irons	RH: 14°, 18°, 30°, 34°, 38°	\$5 ea.
CB-IIM	RH: #2, 3, 4, 5, 9, PW, AW	\$X ea.
Gemini FW	LH: BLK #3; BLUE #3, #5	\$X ea.
CH-III FW	RH: #3+, #3, #7, #13	\$X ea.

Please speak to your Sales Rep to learn more.



Have a terrific August!

Kind Regards,



July 6, 2011

Hi Everyone,

We have lots of info for you this month, so please take the time to READ below and WATCH our Video Newsflash (<u>click here</u>).

EVOLUTION II IRONS

You know the Forged Evolution Irons have been a best seller for years. Now the Evolution II will carry the torch. Double-forged and handcrafted in Japan, these irons are the best mid-size set money can buy.

It would be foolish to dramatically change such a universally lauded club such as the Evolution, so we just tweaked it to meet the needs of today's market. To be honest, at first glance you might think it is identical, but there are a few differences to point out:

- Lofts are 2 degrees stronger. We changed this as a direct result of your feedback and to "keep up" with modern specs.
- The leading edge is slightly softer, which was necessary due to the stronger lofts.
- The grooves <u>will only</u> be available in the conforming "V" grooves mandated by new USGA regulations.
- The Evolution II comes in RH only, #3-9, PW.
- Be sure to have your pre-orders in!

LIMITED EDITION WHITE CART BAG

The stylish new Limited Edition White Cart Bag has arrived. KZG's classy, multi-functional 9.5" white cart bag features a 14 club divider top with an additional side putter holster, umbrella clip, removable carry strap, numerous pockets including a red velvet accessory pouch, thermal pouch, waterproof clothing pocket, ball tee holder and pen holder. Can you ask for anything more?





JULY SPECIALS

Time to stock up: 10% off NovaTech Wood Shafts, which includes the 1000 Series, 1500 Series, the U7000 and Tour 1.8. And don't forget, you will receive an additional **\$100 off if you buy 100 shafts** (ok to mix-and-match)... a great time to get started with NovaTech if you haven't already.

July	10% off NovaTech Wood Shafts		
August	10% off the Sniper SRS Wedges		
September	15% off KZG Golf Bags		
October	10% off the 'Q' Driver and 'Q' Fairway Woods		
November	20% off KZG Towels, Hats/Visors, Shirts & Gloves		
December	15% off KZG Grips		



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FREE AW & SW ON SELECT FORGED MODELS

Also during July, we are offering **FREE AWs & SWs** with the purchase of any **Standard set** (**#3-PW**) of the following Japanese forged iron models:

- Evolution
- Blades
- CB
- CB-IIM (only 3 sets left)
- LH CB
- LH Blades

This deal gives you essentially 20% off, so order fast... available while supplies last.

THE CLUBHOUSE NEWSLETTER

We make it easy for you to stay in touch with your customer base with *The Clubhouse*. It is designed for the golfing public with articles on new KZG products, fitting topics, golf news, industry updates, health and conditioning.





If you are doing your own newsletter, feel free to use any of the articles or photos. Better yet, just contact Chris (clesser@kzgolf.com) and he will customize it just for you (you can make special announcements about your studio, include coupons, add logos, etc.).

THE CLUHOUSE IS ATTACHED. Make sure to print out some hard copies for your countertop.

KZG MASTER CLUBFITTING CLASS (JAN. 2012)

The next KZG Master ClubFitter Certification Class will take place September 14-16, 2011 at our North Hollywood, CA Headquarters. Sign up now as only a few more seats remain.

The next class is **January 18th-20th**, **2012**, which is the Wednesday-Friday before the PGA Merchandise Show in Orlando, FL... we encourage our International Dealers attending the Show to come to the January class, thus saving on travel expense.

The Master Certification Program is a terrific way to increase your clubfitting skills, learn great marketing and branding strategies, meet your professional peers, learn more about KZG, meet the KZG team and just have some fun. Please call your Sales Rep to reserve a seat... it is FREE for Premier Dealers and only \$495 for non-Premier Dealers.

KZG IS ADVERTISING

We are now an **Official Sponsor of Golfwrx.com**. This site is extremely popular with avid golfers and is powered by Golf Digest. Look for our banner ads and sponsor posts and please help KZG generate some online buzz, especially with all of the new irons arriving this month.

CONGRATULATIONS!!!

I would like to congratulate many of you for jumping to higher pricing levels this guarter, particularly our newest Diamond and Platinum Dealers:

Diamond: *Vincent Willems (Golf Centrum Puurs, Belgium) – pic-> **Platinum:** Alistair Guthrie (The Old Clubhouse, Malaysia) Davis Lauss (Golfclub Ottenstein, Austria) Eddy Pelgrims (Golf Fitting Studio, Belgium) *Greg Ashton (David Milne Golf Academy, Australia)









*Lionel Newton (Newton's Law Golf, British Columbia, Canada) *Lyle Helland (Simply Golf, Alberta, Canada)

*Watch the July Video Newsflash to learn more about these outstanding Dealers.

WEBSITE

We have a new Flash video on our homepage, which has already generated a ton of positive feedback from KZG Dealers and fans. People keep calling in and asking about the new, hot looking MWC-I wedges. Check it out: <u>www.kzg.com</u>.

Jon Cote of Cote Golf Instruction said that 80% of his recent business is from the KZG Dealer Locator. Others experience an average of 3-4 referrals a week! Make sure your pictures, store hours and story are up to date. It is a great referral sources for Premier Dealers.

INDUSTRY UPDATES

- Dick's Sporting Goods Inc. is moving quickly to open stores with a new target of 900 Dick's locations nationwide (U.S.). It also announced their 81 Golf Galaxy stores are performing slightly better than a few years ago (sales are up 5.1%).
- White-colored clubs now account for one of every five woods sold... I wonder how long this craze will last?
- Jack Nicklaus is quoted as saying, "Since 2006, we've lost 20% of the women in the game and we've lost 20% of the juniors in the game." A scary thought... maybe if they had properly fitted clubs and played from the proper tees, the game wouldn't be so frustrating.
- It is reported that PING is spending millions to revamp its European Headquarters in the UK. They are one of the few OEMs that didn't adhere to the deep discount game over the past couple years and it is now paying off.
- The Callaway CEO & President has left a decade after Eli's death and the company is afloat at sea with no oars!

Kind Regards,

Jennifer King KZG President

jennifer@kzgolf.com



June 1, 2011

Hello,

We have so much to share with you this month, so please take the time to READ below and WATCH our Video Newsflash (click here).

Video URL: <u>http://www.kzgolf.com/layout9.asp?id=588&page=45544</u> (copy/paste)

FUN IN GERMANY!

Sorry that we missed sending out a May Newsflash, but we were just having too much fun in Germany. We were with many of our European Dealers at KZG's Master Certification Program in Hannover... it was a huge success!

Bruce and I truly enjoyed spending quality time with 15 of our Dealers from Germany, Switzerland, France, Belgium, Finland, Netherlands and Spain. All of them were highly



skilled professionals and we were very impressed with their integrity; all of them said they do not sell what the customer wants, but rather what the customer needs to actually help improve his or her game... these European Dealers all recognized that it was their reputation at stake.

A special thank you to our Program Leaders, two Diamond Dealers and Master ClubFitters:



Richard Phillips of Golf Gleidingen (Germany) has been a professional fitter for over 25 years. He was originally an engineer, then taught himself custom club building and clubfitting and then became a PGA and WGTF Teaching Professional to understand the swing so he could become a better fitter and builder. He has dedicated himself to the profession and has been a mentor for many club builders and fitters in the UK and

Europe. Richard is an over-the-top experience:

outgoing, funny, personable, generous, highly skilled... we all agreed he could be a stand-up comedian or an Evangelist if he ever decides to give up his passion: "fittin!"

Vincent Willems of Golf Centrum Puurs (Belgium)

started as a PGA Teaching Professional who understood that he could not teach around ill-fitting clubs. He started fitting, went to every seminar and read every book on the topic, and then became a Master ClubFitter with KZG. Technically solid, soft spoken and business savvy, Vincent understands what every golfer needs for improvement. He is sharing his knowledge with others and has gained respect from the Belgium Pros who keep him very busy.





It was also a pleasure to see the IPAC members who attended the IPAC Conference immediately following the Master Certification Class. We had a great dinner, networking breakfast and golf tournament.

Congratulations to our golf ringers: **Brian Griffiths** (1st place - \$125), **Vincent Willems** (2nd place - \$75) and **Eddy Pelgrims** (3rd place - \$50). They received prize money in the form of KZG credit. A job well done!

The IPAC conference was extremely enlightening and there are many plans on how to reach out to the teaching professionals so that they team up with the IPAC members... the next IPAC Newsletter will cover this topic.

IRONS, IRONS AND MORE NEW IRONS

We have the best 100% **Japanese Forged Irons** on the market... these irons are entirely forged and handcrafted in Japan and are made in one-piece... not in two pieces like other manufacturers. We offer the widest range of Japanese forged models available. These irons are 'buttery' soft in feel, have superior workability, and are guaranteed to be consistent on every shot.

We also offer a very fine line of **High Performance Cast Irons** that have been specially heattreated to allow for ease in adjustability and to give a "Feel of Forged" at a much lower price range.

And now we are offering our new **Forged and CNC Milled Irons** that we have named the 'M-Series'. These irons are made in the same factory as the premier major brands that sell forged irons and wedges. Each iron is forged to compress the molecules of the carbon steel to assure consistency and maximum energy feedback.



Each iron head is also CNC milled for precision accuracy. We will offer three models: **ME-I**, **MA-I**, **MO-I** (M is for Milled, E for Expert, A for Avid and O for Oversize). You can mix-andmatch these three different models for specialized custom sets. For example, if you had an older gent who needs more forgiveness in his long irons but is a whiz in his short game, you might want to select the MO-I for the long irons and the MA-I for the shorter irons. The KZG Group in Germany and KZG Team at Headquarters have tested these new 'M-Series' Irons and have given them the thumbs up!

So now, you have three distinct types of KZG irons, to meet all of your needs, including budget! Your Sales Rep will be calling you regarding the Preorder Specials within the next few weeks. We expect the first shipment to arrive in July. **Please view the attached chart that showcases the entire KZG Iron range**. KZG offers models for every skill, size, strength and/or budget... that way you can guarantee a perfect fit.

JUNE SPECIALS

This month, you will receive **10% off the NovaTech Iron Shafts**, which includes our two models of graphite and our five models of steel. Kim Braly designed our BTR and BTR Lite steel shafts and he reports that they are the best flighted shafts he has ever designed. And don't forget, you get an additional **\$100 off if you buy 100 shafts** (ok to mix-and-match). Now is a great time to stock up!



We also have a special flyer to put on your countertop. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice, please contact Chris Lesser at <u>clesser@kzgolf.com</u>, ext 123, Skype: kzg.chris.

DISCONTINUED LIST – COBALT FAIRWAY WOODS

The cool looking and great performing **Cobalt Fairway Wood Series** is still available (blue and black models - select lofts only). These woods are manufactured from cobalt metal which has twice the tensile strength of 17-4 stainless steel. This incredibly hard alloy guarantees a hot face for superior distance. The mid profile design and low center of gravity makes these woods a popular choice for players of all skill levels. Some lofts are missing, and thus the huge savings for you. Great for rental sets and players on a tight budget!

*Available while supplies last. Talk to your Rep for details on other discontinued products.



Cobalt FW (BLUE)	#3+/13°, #3/15°, #7/23° & #9/27°	\$10
Cobalt FW (BLACK)	#3+/13° & #9/27°	\$5

IMPORTANT BUSINESS INFO

The next U.S. based **KZG Master ClubFitter Certification Class** will take place at our North Hollywood, CA Headquarters (**September 14-16, 2011**). Please call your Sales Rep to reserve a seat.

Many of you have been asking about the **Fuse-Fits by ClubConex**. We had our tech group test them and decided to stay with the Faz-Fit program. They reported the Fuse-Fits are: (1) 3 grams heavier than the Faz-Fits, (2) we had to take more metal off the hosel in order to compensate for the extra weight, which made it impossible to maintain consistent length from model to model; (3) because of the varied OD of our woods and irons, we would have to carry a myriad of sizes of hosel adapters to accommodate them, which means more SKUs and more confusion; and, (4) from a cosmetic standpoint it was not very attractive due to the large size. Nothing says you can't go with the Fuse-Fits if you so elect. But we will continue to offer the Faz-Fits and are happy to install these for you.

D-FI Driver... we are sorry to report that we are not pleased with the prototypes and this product will not be offered in 2011, if ever. We only provide you with product of exceptional quality and superior performance and frankly this prototype didn't meet our expectations. You deserve better!

KZG DEALER PROFILE – NO BOGEYS GOLF

Kyle Cullum and his wife Brooke own and operate **No Bogeys Golf in Laguna Niguel, CA**. They make a great team and really skyrocketed with KZG over the past year. In fact, No Bogeys more than doubled their KZG sales in 2010 compared to 2009.

Kyle was kind enough to share some of his strategies with his fellow KZG Dealers:

- Make Strong Relationships with Local Golf Courses. This is a key part to No Bogeys' success. Kyle makes sure that local pros and golf course workers know who he is and that he will take care of their needs. He might give free repair work, offer re-gripping at his cost, or give them special club discounts, etc. In return, these courses and pros refer him new business and grant him Demo Days.
- **Build a Reputation with ALL Golf Personnel**. Kyle is not afraid to walk into a local course and simply introduce himself to everyone that works there. Not just the pros but the assistant pros, cart guys and gals, restaurant employees and desk workers.

- Seek out New Marketing Ideas. Kyle does not pay for ads but is always on the lookout for creative ways to market his business. He submitted a custom Top 100 Press Release to the local media, renovated his website, sent out newsletters and other grassroots strategies.
- Creating a Stronger Store Brand. No Bogeys has a great logo and uses it throughout its promotions. Kyle even made custom hats and shirts that bear his store emblem. No Bogeys recently upgraded to a bigger space so their shop will appear "higher end". Make sure to check out his KZG Dealer Locator Page.





INDUSTRY UPDATES

- Golf Data reports that rounds were up in February by 20% compared to last February, while April play was down by 21%.
- Fortune Brand's Golf Division (Titleist, FootJoy) was acquired by a group led by Fila Korea Ltd. and Mirae Asset Private Equity. I expect their Asian market share will grow and their overall prices to go up.

Have a terrific June! And thank you again for all of your loyal support.

Kind Regards,



April 4, 2011

Hi,

Please **READ** below and **WATCH** our Video Newsflash (click here).

KZG ON TWITTER, YOUTUBE AND FACEBOOK

Our tech-savvy Dealers can rejoice... we are now on three social media websites!

Please "follow" KZG by clicking on the links:

- Twitter <u>(@golfkzg</u>)
- Facebook (<u>KZG Official Group</u>)
- YouTube (<u>/golfkzg</u>)

"KZG Followers" will get exclusive insights, such as new product information, special promotional opportunities, exclusive pictures/videos, company news, golf industry updates and club fitting stories. We want to increase the communication level with our customers and social media is a step in the right direction. Don't forget to connect with other KZG Dealers... they can be a great support group as well as friends!

APRIL SPECIALS

This month you will receive **20% off all KZG towels, shirts and gloves**. These items are great impulse buys as well as terrific gifts for loyal customers. What can be a better way to say "thank you" to your customers then a personal gift from you. And great for branding KZG, as you are surely the only Dealer in your area. Now is the time to stock up!

April	20% off - KZG towels, shirts and gloves
May	10% off – KZG GF Series of Putters
June	10% off – NovaTech iron shafts

twitter





APRIL SPECIALS!

Big Savings on KZG Shirts, Towels and Gloves!



We also have a special flyer to put on your countertop. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice, please contact Chris Lesser at <u>clesser@kzgolf.com</u>, ext 123, Skype: kzg.chris.

LAST CHANCE TO REGISTER – GERMANY EVENTS

April 15th is the last day to register for KZG's Master ClubFitter Certification Program in Hannover, Germany (May 1-3, 2011). The Program is FREE for Premier Dealers (\$495 for Non-Premier Dealers) and will be held at Golf Gleidingen. The Program will be led by Richard Phillips of Golf Gleidengen, Vincent Willems from Golf Centrum Puurs, and me.

Immediately after the class, IPAC will hold its annual conference at the Golf Gleidingen facility (May 3-4). There will be an annual meeting, dinner and golf tournament. KZG will be hosting the event, so it is FREE for IPAC members! Both the IPAC Conference and Certification Course are great ways to network with your peers, to increase your fitting and business skills and to raise the bar for your profession.

If you are interested in attending, please contact Gail Pope (<u>gail@kzgolf.com</u>) as soon as possible. My husband Bruce and I look forward to seeing all of you at the Hannover events.

Note: The next U.S. based KZG Master ClubFitter Certification Class will take place at our North Hollywood, CA Headquarters (September 14-16, 2011).

FIRST QUARTER REPORT

The first quarter has come to an end and we are delighted to report many of you have moved up the ladder into higher pricing tiers. The tier system has been extremely successful over the years because it allows each of you to control your own pricing level. With each step in the ladder, you save 4% in your wholesale pricing which equates to an additional 8% in your profit margin! Those actively selling NovaTech shafts find it easy to hit the Platinum and Diamond plateaus.

YOUR TIME IS VALUABLE

Have you ever taken the time to really analyze what your time is worth? Business savvy Dealers do and have increased their profits as a result.

Most of our professional fitters report that the average fitting results in a 1,200 - 1,500 retail sale and takes about 1.5 - 2 hours to complete. They also close the sale 95% of the time. If you are selling KZG and NovaTech with a 50% margin, that equates to an average of 366/hour.

Many of you give lessons, valued at \$100 - \$150/hour, an average of \$125/hour.

Many of you do your own building. If you are frequency matching, spine aligning, etc., a set of 8 clubs will take you around 3 hours. We charge \$15/per club for the build, so that would be equal to your time valued at \$40 per hour. I realize many of you find building relaxing and a true joy, which is great. However, if you are building at 10 p.m. at night to keep up with business, you might want to consider having KZG build some items for you... so you can get some sleep or devote your time to higher profit endeavors.

Remember that we have the best Build Department in the industry. Our guys weight sort every head, shaft and grip; they spine align; and they check the frequency 3 times throughout the build process. The end result is always within ± 1 cpm or we tear it apart and start over. Trust me, no other manufacturer does this. You take the time to do a precise fitting; we honor your professionalism and take the time to follow your specifications precisely.

So, think smart. What is your time worth per hour? \$366, \$125 or \$40?



DISCONTINUED LIST – OC-I & OC-xI IRONS

The original OC-I and OC-x1 Cast Irons are still in our line, but are often overlooked by our newer OC-II irons. The original OC Irons are great for high handicappers and beginners. They are oversized, have the "feel of forged" and are very easy to hit. The OC-x1 is slightly heavier, which makes it ideal for graphite shafts. Great for rental sets!

*RH - OC-I	#3-9, PW (FREE AW and SW)	\$72
*RH & LH – OC-xI	#3-9, PW (FREE AW and SW)	\$72



*Available while supplies last. Talk to your Rep for details on other discontinued products.

INDUSTRY UPDATES

- Callaway Golf appears to be on a downhill slide. Once the dominant leader in woods, it continues to lose market share and has already slipped to a distant 4th in the driver category (TaylorMade is #1). It doesn't help that 17% of its revenue was coming from Japan, which will surely be reduced because of the recent disasters. Recent reports indicate that analysts are recommending selling their stock.
- Callaway is not the only company that is hurting due to the Japanese disasters. Fujikura's new plant was just 12 miles away from one of the critical nuclear power plants. Fortunately, their employees were able to go home unharmed. Fujikura will be building their shafts out of a new plant in China.
- Nickent Golf is resurrected. Dick's Sporting Goods purchased the defunct brand and plans on using it (along with Hagan and GolfWorks) as one of its house brands. Even the big chains are looking for some decent margins and are featuring their own brands.
- Between 2005 and 2009, the Longitudes Group reported a net loss of 577 doors, or a 31% loss, in the off course market. Perhaps the economy is really turning around; the three 'big box' retailers are opening up several more "megastores" this year. Hopefully this is good news for the golf economy in general.

Bruce and I will be out of the office from April 12th through May 7th. In the event you have any problems or concerns, please call or email Chris Lesser who will be in charge: ext. 123 or <u>clesser@kzgolf.com</u>.

All of us at KZG are truly appreciative of your support and loyalty. It is a real joy for us to work with the finest professionals in the industry.

Thank you!



March 1, 2011

Hello!

The weather is heating up and so is KZG! Please **READ** below and **WATCH** our Video Newsflash (<u>click here</u>) so you do not miss out on any important information. And please, don't forget to read the attachment.

THEY HAVE ARRIVED

Hurry before we are out. Our two new fairway woods for the 2011 season have arrived, so please call your Rep and get your demos today!

• The **PTI Fairway Wood** is the perfect complement to the PTI Driver. Featuring a cup face for unbelievable rebound, a single weight portal for trajectory adjustments and a high MOI for added forgiveness... all wrapped into a black, sexy, aerodynamically designed head.

• The **XV-500 Fairway Wood** features a maraging face insert for extra distance, an adjustable hosel for a perfect fit and a mid-profile design for universal appeal.



LUXURIOUS LEATHER

The trend for 2011 will be luxury and golfers with discerning taste will be lining up for these new leather grips. PGA Tour Players like Retief Goosen have already made the switch to leather. And it is not just sizzle, these grips perform great and will wear in not out... like a comfy pair of leather shoes. Over time they mold into the shape of your hand and the special tanning process assures a tacky grip for slip-free accuracy. No more gloves!

• The **Kangaroo leather grip** for woods and irons is extremely light (41 grams) and durable. Did you know that kangaroo leather is often used on soccer shoes just for those benefits?



• The Montana **Cowhide leather grip** for woods and irons is bit heavier (46 grams), but the feel is pure luxury.

• The Ethiopian **Cabretta Leather grip** for putters is ultra sexy, soft and classy (52 grams). The feel is amazing and the vivid red color will be sure to turn a few heads.



MARCH SPECIALS

With all of these new KZG grips (the 3 luxury leather grips plus our 12 other models of grips) we thought it was time you have samples for your fitting studio. Our **special demo pricing** is as follows:

Demo Package (# in pack)	C/B	A/New	Silver	Gold	Platinum	Diamond
Leather (3)	\$113.90	\$97.62	\$70.51	\$45.20	\$21.70	FREE
Non-Leather (12)	\$47.88	\$41.04	\$29.64	\$19.00	\$9.12	FREE

Also, Spring Cleaning is not just for your home... Golfers need to clean and fine tune their clubs for the season. What better way than to offer a free "SPRING CHECKUP"?

This certificate is available in *The Clubhouse*, which you should send out to your customers so they will come in to your studio to see what



they need for the season. Many will need to change their grips; therefore our March special of **15% off all KZG Grips** is perfect timing (don't forget, if you buy a mix & match case of 50 grips, you will save another \$20!).

March 15% off – All KZG Grips			
April	20% off – KZG Towels, Shirts and Gloves		
May	10% off – KZG GF Series of Putters		
June	10% off – NovaTech Iron Shafts		

We also have a special flyer to put on your countertop. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice, please contact Chris Lesser at <u>clesser@kzgolf.com</u>.

THE CLUBHOUSE NEWSLETTER

We make it easy for you to stay in touch with your customer base with *The Clubhouse*. It is designed for the golfing public with articles on new KZG products, fitting topics, golf news, industry updates, health and conditioning.

Note: This month's special includes a coupon for a free "SPRING CHECKUP". If you do not want to offer this to your customer base, please contact Chris Lesser (clesser@kzgolf.com, SKYPE: kzg.chris or 800-200-8800 ext.123) and he can delete that section.

If you are doing your own newsletter, feel free to use any of the articles or photos. Better yet, just contact Chris and he will customize it just for you (you can make special announcements about your studio, include coupons, add logos, etc.).



Reminder: Make sure to print out some hard copies for your countertop. The Clubhouse' is attached to this email.

YOU CAN'T FIT OVER THE INTERNET!

We protect our Dealers and our brand. KZG makes great product, but it is you, the Professional Fitter, who makes it unbeatable.

We only sell to the very finest fitters in the world who have a legitimate retail venue. And each of our fitters is a true professional with integrity, and they know a proper fitting cannot take place over the phone or the Internet.

Last month, we learned one of our Dealers was selling clubs online and also listing KZG next to various home shop "component" brands. This is a direct violation of the KZG Sales Agreement. We terminated the account.

Maintaining the KZG brand exclusively for the finest fitters in the world is important to us and to you. We do not give lip service to our policies; we actually enforce them. KZG is the only golf company that has a true partnership with its Dealers; we do not sell direct to the public; we do not allow our Dealers to sell over the Internet and we only sell to the finest fitters, like you.

THE DISCONTINUED LIST – FORGED WEDGES (RAW)

KZG occasionally places older models on the discontinued list. These prices are not available to the public, so the retail price is completely up to you. We recommend using these clubs for juniors, students, seniors and anyone on a very tight budget.

This month we are profiling our 100% double forged, handcrafted Japanese Forged Wedges (raw finish only). They are available in six RH lofts and three LH lofts. Some people love raw finishes on their wedges because they get that authentic rusty look over time.

RH - Forged Wedges (Raw)	50°, 52°, 54°, 56°, 58°, 60°	\$30 ea.
LH - Forged Wedges (Raw)	52°, 56°, 60°	\$30 ea.



PLATINUM DEALER PROFILE



Congratulations to our newest Platinum Dealer, **Tim Nijenhuis**, owner of **Nijenhuis Golf Academy in The Netherlands**.

Tim and his wife Natascha are both teaching professionals at their beautiful Academy! They have a state-of-the-art teaching, coaching and fitting studio, which seamlessly opens onto a range.

They have a great website too... check it out at <u>www.nijenhuisgolf.nl</u> and then click "what's in my bag". Tim is a KZG man through and through. Recently, Tim fit



a Dutch Playing Pro into Forged ZO Blades. In his first EPD Tour event using KZG, the Pro finished in 3rd place, and we expect him in the winner's circle soon. No wonder Tim is doing so well with KZG!

INDUSTRY UPDATES

• Golf Digest readers are able to buy clubs direct from the Golf Digest website. The site tells golfers which clubs they should buy based on their annual Hot List ranking. You have to be kidding me! This "online mall" will also enable customers to get cash back rewards and discounts. It is just another way the major brands are going around their retail suppliers and

straight to consumers. IF YOU ARE SELLING THE MAJOR BRANDS YOU ARE JUST COMPETING AGAINST THEM FOR SALES!

• Golfsmith CEO Marty Hanaka plans changes for 2011 to try to turn things around: (1) they plan on shifting merchandise to more apparel and footwear (bet they checked their margins on the golf equipment and realized they have to make money in soft goods, not hard goods) and (2) there are going to expand their proprietary brands McGregor, Lynx and Snake Eyes (obviously for greater margins).

• Golf Town, Inc. a Big Box Chain based out of Toronto, Canada said they are spending \$25 million to open up five new stores (each store is 20,000 sq. feet) in the Massachusetts/Boston area.

• Nicklaus is expanding its collection to include crystal glassware produced by Orrefors. Nicklaus Co. states their mission is to enhance the golf experience... seems a rather odd program to me.

STAY TUNED: Next week we will be sending you another Newsflash with details on a special program...

Thanks for all of your support, have a great month!

Sincerely,



February 1, 2011

Hello!

We have lots of news and some very important updates! I encourage you to carefully **READ** below and **WATCH** our Video Newsflash (<u>click here</u>), so you do not miss out on any important information.

URL: http://www.kzgolf.com/layout9.asp?id=588&page=45544

PRE-BOOK THE NEW KZG FAIRWAY WOODS

One of the things KZG does best is fairway woods! We have two new beauties due out this month, the XV-500 and the PTI, and they are sure to "wow". You can pre-book both woods now and save 10-100% off the price (depending on your tier level).

XV-500 Fairway Wood

The XV-500 features a low-mid profile, bendable hosel and classic appearance. Similar to the CH-III, these woods are available in a wide range of RH and LH lofts and have universal appeal. The proprietary alloy insert offers outstanding performance and feel.

PTI Fairway Wood

Over the last year, the PTI Driver has been a big hit for KZG and we are sure the PTI Fairway Wood will follow suit. It has a high MOI, mid size head and is designed for golfers of all skill levels. The sleek 'midnight black' body looks great and the cup face offers maximum distance and performance. In keeping with KZG's tradition of creating the ultimate custom club, the PTI can literally dial in the ideal trajectory and swing weight using the single GF weight port in the sole.



NEW PRICE LIST - 2011

As we mentioned in our January Newsflash, starting Feb. 1st, 2011 new prices will take effect. The vast majority of our product prices stayed the same or went up slightly. The lone exception was our line of Japanese Forged Irons and Wedges. As you may know, the US Dollar has devalued by 50% to the Japanese yen in the last two and half years. Trust me, we hated to raise our prices, but we were forced to do so.

KZG will continue to offer the finest Japanese double forged, handcrafted irons and wedges for the discriminating golfer. And remember, KZG forgings are made in one piece, a critical factor for optimum energy transmission and feedback.

We will also start offering you forgings from China...from the same factories as the major brands. In the next few months we will launch several new models of Chinese forged irons which will be far less expensive. Several of our dealers and our staff have tested these forgings and were very pleased with the feel, look and performance.

FEBRUARY SPECIALS

This month take advantage of our SP offset clubs. Golfers with slower swing speeds and a tendency to slice the ball will love the high lofts and easy playability. Until the end of February, receive **10% off the SP OSX Driver and SP OS Fairway Wood,** which in turn allows you to give the customer 20% off the retail price.

February	10% off – SP OSX Driver and SP OS Fairway Wood
March	15% off – All KZG Grips
April	20% off - KZG Towels, Shirts and Gloves
May	10% off – KZG GF Series of Putters
June	10% off – NovaTech Iron Shafts



We also have a special flyer to put on your countertop as well as a sample blurb you can email to your customer base. Just go to the "Resource" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice please contact Chris Lesser at <u>clesser@kzgolf.com</u> or call him at ext. 123 (SKYPE: kzg.chris).

READY TO SHIP – NEW POP MATERIALS!

In addition to the 2011 price list, we have ready to ship new catalog pages, a "KZG Loves Seniors" sign, new product information plaques and KZG brochures. If you were honored as a

World's Top 100 ClubFitter, you will also receive your framed certificate and a special poster. These items will be shipped with your next order.

It is so important to own the environment, especially since KZG does not advertise. The more posters, signs, banners, award certificates, catalogs, brochures, etc. that you display the easier it will be to push the KZG line. Customers will naturally be inclined to ask you questions and willing to try KZG if you showcase the brand.

THE DISCONTINUED LIST – GREAT DEALS

Major brands tend to introduce a whole new line at the beginning of the season, and then start dumping it just months later. Finally, at the end of the season they have a major "blow out" and start anew the next season.

KZG is very different. We only bring out new product when there is a need to do so and we offer a myriad of models in order to perfectly fit every golfer. KZG clubs have intrinsic value and most of our models remain in the line for years. We never advertise a major blow-out to the public, but we do discretely offer our Dealers discontinued models way below our cost. Only you know about the deals, thus allowing you to make extremely high margins, affordable rental sets, or help someone on a tight budget, like juniors.

Smaller driver heads are coming back in "vogue". Our RBT drivers (rolled beta ti) were and still are a big hit. They have a classic tear drop design and are available in either red or black and in 3 different sizes... all at a phenomenal deal. They are discontinued and available only while supplies last. And don't forget to ask your rep for other deals on other products.

RBT 400 cc (Blk or Red)	9 °	\$50
RBT 360 cc (Blk or Red)	9, 10.5°	\$50
RBT 325 cc (Blk or Red)	7.5°, 9°, 10.5°, 12°	\$40



DEALER PROFILE – NEW DIAMOND DEALER!

Congratulations to our newest Diamond Dealer, **Mike Keener**, owner of *Marc's Golf Service in Palm Desert, CA*. In just a few short months, Mike has rocketed up the pricing tiers and is enjoying great success with KZG. Mike purchased Marc's Golf Service from longtime KZG Dealer Marc Marchado. Mike moved the shop to an industrial area, and built a beautiful performance studio. And the golfers came!



Marc's is the only place in the desert for first rate clubfittings and first rate custom builds and repairs... in a concentrated area of over 135 golf courses. Mike is a dynamo and people really enjoy working with him.

INDUSTRY UPDATES

Adams bought bankrupt Yes! Golf for \$1.65 million...

The 'Big Box' stores continue to grow their influence with manufacturers and golfers alike and now represent 24% of all golf stores and 64% of all retail space. Golf Galaxy, Golfsmith and PGA Superstores account for 42% of the total market square footage. More than 30% of golf stores closed their doors in the last two years.

'Big Box' stores are not necessarily making money. Golfsmith reported a pre-tax 4th quarter loss of \$5.3-\$5.6 million in 2010 as compared to a pre-tax 4th Q loss of \$6.6 million in 2009. The CEO said "we are pleased with our sales," yet their year-end 2010 filing showed a pre-tax loss of \$5.1-\$5.4 million which was higher than their 2009 pre-tax loss of \$3.4 million. Not sure what the guy is bragging about.

Get ready for a successful 2011. The competitions gone and let's face it, the 'Big Box' stores can't fit. It's all yours for the taking.

Thanks for all of your support and if you have any suggestions or comments please feel free to contact me at any time!

Sincerely,



January 4, 2011

Hello!

Season's Greetings from KZG! Please **READ** below and **WATCH** our Video Newsflash (<u>click</u> <u>here</u>). URL: <u>http://www.kzgolf.com/sites/courses/layout9.asp?id=588&page=45544</u>

WORLD'S TOP 100 CLUBFITTER WINNERS

Congratulations to this year's winners! To see if you made the list, <u>click here</u>. It was an exhausting process as we received a record number of applicants from very deserving candidates and thus it resulted in some very difficult decisions.



This year's honorees represent the élite of the profession and hail from 20 countries around the world, including 40 from the United States, 32 from UK/Europe, 15 from Canada, 8 from Asia and 5 from Australia/New Zealand. Winners range from small shops serving rural areas to large performance centers with multiple fitters and instructors.

Later this month, winners will be receiving a framed certificate and poster. Your Dealer Locator page should already display your Top 100 status. This honor is important and we hope you highlight it on your own website, business cards, brochures, email signatures, Tour Vans, etc. One year we even had a Dealer create a Top 100 custom banner that was two stories high! Be proud of this honor and let people know you are at the top of your game.

We have sent out to the worldwide media the press release listing the Honorees. But we need your help also in maximizing your well-earned publicity. Please work with Chris Lesser, KZG's Director of Marketing (clesser@kzgolf.com, x.123; SKYPE: kzg.chris). He will write a customized story about you that can then be sent directly to media members in your local area. Editors are always looking for stories about the "local guy who makes good," and we have had literally dozens of articles published for our winners each year. But we need your input: if you do nothing, then nothing will get published. If you want a chance at free publicity, call Chris today. And frankly, nothing is more effective than an editorial for generating business.

JANUARY SPECIAL

Back by popular demand we are showcasing the next 6 months of KZG Specials so you can properly plan your inventory.

January	10% off – GF-H & HSS Plus
February	10% off – SP OSX Driver and SP OS Fairway Wood
March	15% off – All KZG Grips
April	20% off – KZG Towels, Shirts and Gloves
May	10% off – KZG GF Series of Putters
June	10% off – NovaTech Iron Shafts

This month receive **10% off the GF-H and HSS Plus**, which in turn allows you to give the customer 20% off the retail price.

We also have a special flyer to put on your countertop as well as a sample blurb you can email to your customer base. Just go to the "Resources" page on our website (password: kzg123), download and print. If you need any custom design help or marketing advice please contact Chris Lesser at <u>clesser@kzgolf.com</u> or call him at ext. 123 (SKYPE: kzg.chris).



TOP GIRLS IN GOLF LOVE KZG!

Early in the year we talked about young Liv Cheng from New Zealand who played in the Junior World Golf Championships at Torrey Pines. And now two more top amateur girls are playing KZG:

Kasha Scott is 90 lbs soaking wet and not even 18 years old. She won an academic scholarship to Bucknell University and is one heck of a golfer. In her first golf season, she and the Bucknell team shattered several individual and team records and had several low tournament rounds against some major universities. A couple months ago, she fired a 73/74 to finish second in the Wendy's Invitational; one of her teammates took first place. And it's **Buddy Beem from Colorado Custom Golf** who fitted this young star in a bagful of KZG.

Sixteen year old **Jennah Romansky** was fitted by **Dave Freed from Akron Golf Clubs** into KZG's PTI Driver, CH-III Fairway Woods, U-Irons and OC-IIs and her game has been on fire ever since! She is one of the top ranked high school golfers in Ohio and even had two hole-in-ones in a single weekend!

MARKETING TIP: REACHING OUT TO THE COMPETITION



KZG offers exclusive territories to its *Premier Dealers*. In fact, before we open any new Dealer in your area, we make it a habit to call our existing Premier Dealer to be sure there business will not be negatively impacted. (Who else does that for you?)

But it is very interesting, some of you say "bring on the competition." This often leads to very positive results. One example is **Sami Siren from Golfpaja in Finland** who has been a loyal KZG Dealer for many years. Lately, Sami has been talking to other Dealers in his area and pushing them to carry KZG as well! That's right, he not only invites competition but is actually going out and trying to get more competition! His reasoning: the more KZG is validated by the best fitters in the area, the more it will help sales for him.

Sami is not the only Dealer who thinks this way. The regions where we have two or three Dealers in one area (So. CAL, So. FL, So. ONT), all of the Dealers are strong accounts. Feeding off each other is a great strategy to increase presence and ultimately sales, especially when you are dealing with a specialized brand like KZG.

But don't worry, if you are a Premier Dealer we will always check with you before we open anyone in your area.

IPAC UPDATE

IPAC Members are the elite of the profession and share technology and marketing ideas with each other to constantly raise the bar for the profession. If you haven't joined, you really should consider doing so (contact <u>lesser@ipacgolf.com</u> for info).



The next IPAC Newsletter will have an essay by the current IPAC President, **Don Irving of Artisan Golf, Ontario**. He will lay out how best to fit the golfer using MOI and how to build clubs using MOI matching. Additionally, there will be a new article by **Lynn Griffin, Peak Performance's Head ClubFitter**. And IPAC will have a big meeting in Hanover, Germany in May... already 30+ members are planning to attend. Hope you can make it too! Details are available under the Expo tab at <u>www.ipacgolf.com</u>.

A BIG THANK YOU TO KZG CUSTOMERS

We have a program expected to start Feb 1^{st} ... a fabulous travel program as a thank you to all of our KZG Customers. We are partnering with Qantas Airlines and the government travel bureaus in Australia to give your



customers and you, the best golf travel package deal ever to Australia! We called several of our Elite Dealers and they are over the moon with the project.

This first project will be travel originating from anywhere in the US and Canada, but in the future will hopefully extend to our international friends as well.

QUARTER ENDING...NEW TIER STATUS

Wow are you growing with KZG! December was the end of the quarter and we have just completed changes for new pricing tier status. Remember, you and you alone control what status you are in. We are very happy to report that we have a whole new group of Diamond, Platinum and Gold Dealers. We will be giving you a profile on these movers and shakers in our future Newsflashes, so that you can adopt some of their ideas to help your business grow.

INDUSTRY UPDATES

- ✓ Big news for Fortune Brands... it now intends to split the company into as many as three separate businesses and may even sell Titleist equipment, balls and Footjoy to several different entities.
- ✓ Callaway is opening a pilot store in India; not sure how that will affect the multi-brand stores that are also selling Callaway.
- ✓ Rounds played in the U.S. were up 19.4% in October 2010 versus 2009. However, despite the impressive performance in October, total rounds played in 2010 are down 1.8% from 2009.

Later this month, we will be sending you catalog pages on new products/price list, new posters and new POP. So get ready for 2011... it will be wonderful.

Thanks for all of your support. We make great product, but you make it unbeatable!

Sincerely,