United States Golf Association
Golf House
PO Box 708
Far Hills, NJ 07931

July 26, 2010
Notice to Club Manufacturers

In recent months The R&A and the USGA have been approached by a number of manufacturers around the world regarding a potential modification of the distribution provisions applicable to pre-2010 clubs which do not meet the new groove specifications, commonly referred to as the “sell by” requirements. After consulting with various industry associations on this topic, we are writing to you to communicate our jointly held views.

While the opinions of these industry associations (the US Golf Manufacturers Council, the British Golf Industry Association, and the Japan Golf Goods Association) have been helpful in determining whether or not changes to the “sell-by” provisions should be considered, it is clear that there is no consensus view on this important question. We believe that their difficulty in reaching a consensus emphasizes the differences of opinions held by interested parties. This diversity is consistent with the results we received in March 2009 from our request for manufacturers’ opinions about modifying the “manufactured-by” provisions, as well as earlier input received on implementation of the new groove rule, through the notice and comment process. Given this experience, we have concluded that raising the issue again through another widespread request for manufacturers’ opinions would likely result in similar divergent non-consensus views and could cause additional confusion in the marketplace. Accordingly, after giving due consideration to all the views expressed, the Governing Bodies have decided not to charge their earlier position that assembly and distribution of pre-2010 clubs into the marketplace (or “retail environment,” the synonymous term used by The R&A), should conclude by the end of 2010.

The Governing Bodies wish to affirm that in normal course they have no wish to interfere with the commercial arrangements of the manufacturing industry. Our goal has always been to achieve a smooth transition to the new groove rules, while minimizing the impact of the changes for all golfers. In this particular case, however, we concluded that a necessary component of the establishment of a crossover date for implementation of the new rule should include reference to “manufactured by” and “sold by” dates. Such inclusions are very rare and the Governing Bodies believe that while careful management by the manufacturing community is needed, this arrangement will result in much less impact on the vast majority of golfers than a single date for the introduction of the Rule.
To assist manufacturers in their inventory and product line management, we have said that we would consider any clubs that were submitted to the USGA and The R&A for conformance evaluation prior to January 1, 2010, which are assembled and shipped into the marketplace on or before January 1, 2011 as conforming to the Rules, if they meet the pre-2010 groove rules. Clubs submitted for conformance after January 1, 2010 or clubs manufactured or shipped to a retailer or shipped directly to a consumer after December 31, 2010, must meet the new groove rules.

We have been asked to clarify the status of assembled clubs which have been shipped from the place of manufacture to a bona fide distributor. Such clubs are considered to be within the marketplace. Further, it is in accordance with the ‘sell-by’ provisions if unsold stock of pre-2010 product held by a retailer is redistributed to another retailer by the manufacturer after January 1, 2011. However, such product must have been originally made available for sale prior to that date.

We have also been asked by some manufacturers how we intend to monitor compliance with the “sell by” provisions. In short we do not see it as our role to actively monitor the distribution of equipment by manufacturers. In keeping with the spirit of the game in which golfers regulate their own compliance with the Rules, we trust and believe that the same ethic will prevail within the manufacturing community on this issue.

Finally, both Governing Bodies thank the manufacturing industry for their communications throughout the implementation of the new groove rules. We continue to welcome this input and any comments and proposals relating to our future rule making activities.

If you have any questions, please contact Dick Rugge, Senior Technical Director, P.O. Box 708, Far Hills, NJ 07931, Fax 908-234-0138, e-mail: drugge@usga.org.