# Business Profile-Bowling Alleys

The traditional bowling alleys of the 1940's and 1950's have evolved into the bowling centers of the 1960's and 1970's, which include all the facilities of the earlier establishments, plus additional amusements and subsidiary services. Thus, a bowling center is likely to include, in addition to the basic requirements of the sport (alleys, balls, and shoe rental), food and beverage service, bar service, amusement machines (pinball, children's rides, etc.), pool tables, and other miscellaneous recreation (model car racetracks, indoor miniature golf, etc.). The service offered may also extend beyond service and maintenance functions associated with the game of bowling itself to include operation of the above-mentioned recreation and service activities, bowling clinics, meeting halls, child care facilities, and shops for sportswear and bowling balls and accessories. Many of these services may be operated on a lease basis by individuals other than the bowling proprietor.

Establishments whose principal function is to provide facilities for the sport of bowling are classified for statistical purposes as Standard Industrial Classification (SIC) 7933. Four types of bowling are included: tenpin (the oldest, most popular, and nationally played), duckpin, rubberband duckpin, and candlepin bowling. The latter three types of bowling utilize smaller pins and balls and are popular only in a few areas of the country (notably New England, Pennsylvania, and Washington, D.C.). About 95 percent of the bowling done in the United States is tenpin bowling.

In this profile, cost and revenue estimates and corresponding user statistics are based upon tenpin bowling centers. The cost differentials between tenpin bowling establishments and the three less common forms of bowling establishments can be obtained from equipment suppliers. Surveys [illegible] need to be performed to determine if the area under consideration was suitable for smaller pin bowling enterprises.

The popularity of the sport of bowling (as measured by the total number of bowlers sanctioned by the American Bowling Congress) has increased steadily during the past 2 decades. Most rapid growth occurred almost immediately after the introduction of the automatic pinsetter machine by the American Machine and Foundry Company (AMF) in 1955 and by the Brunswick Corporation in 1957. The number of sanctioned bowlers (that is, bowlers with membership cards in the American Bowling Congress - generally required of all league bowlers) increased from 2½ million in 1955 to 5½ million in 1960 and to over 8 million by 1963.

In response to this rapid rise in popularity, a great surge took place in the number of bowling establishments that were opened to meet the growing demand. The number of certified bowling lanes increased during this same period from 58,200 in 1955 to 108,000 in 1960 and to over 150,000 lanes by 1963. Well over 1,000 new bowling centers opened during this period. While the number of new lanes thus kept pace with the growth in the number of sanctioned bowlers, the new bowlers turned out to be less ardent that their predecessors (as exhibited by a rapid decline in the number of games bowled per lane per day). Hence, there was clear evidence of overbuilding by 1963. This was reflected in a sharp decline in profits throughout the industry after the surge in the late 1950's.

The decline in profits was not due solely to overbuilding, although this was the principal [illegible] importance were poor management and undercapitalization. Many people invested in bowling and became proprietors because they had been bowlers for several years, liked the game, and assumed profits came automatically. They were inexperienced in running these operations and, in the case of absentee ownership, selected other bowling associates - with similarly weak management - to operate the alleys for them. An accompanying problem was that thse new entrepreneurs had not fully worked out all the costs of operating a bowling establishment and had based revenue projections on experiences of early years when the smaller number of establishments then in operation were always crowded. Consequently, they lacked the funds necessary to support the operation during the slack period of the middle 1960's.

There are good indications that the bowling industry has now stabilized and that opportunities for profitable ventures are possible with well-planned marketing and operating strategies. The total number of bowling establishments in the United States is now estimated at around 9,000. The Atlantic and North-Central regions of the country continue to have the strongest concentration of establishments, with New York, Ohio, Illinois, and Pennsylvania as the four leading states in this regard. The Mountain and Pacific regions (and particularly California, Washington, Oregon, and Colorado) also hav active bowling populations with participation rates above the national average.






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