

LAWSUIT CHARGES AREA COUNTRY CLUB MANAGERS VIOLATED THE LAW TO MAINTAIN THEIR PRIVILEGED LIVES

MINEOLA, NY (June 28, 2009) -- A Long Island golf consultant is teed off because the managers of numerous swanky country clubs in New York's wealthiest suburbs are boycotting his firm and preventing their members from calling for help at a time when they're reeling from the economy and effects of the Madoff scandal.

The nationally recognized consultant, David A. Shaw, of Greenvale, Long Island, filed an anti-trust lawsuit Thursday in New York State Supreme Court in Mineola, Long Island, in which he claims that trade groups representing the managers of these posh clubs illegally blackballed his company. The suit, which also names the managers of some of the region's most elite clubs, seeks unspecified damages for lost revenues and damages that could reach millions of dollars.

Shaw, whose firm Country Club Advisor, LLC, assists exclusive clubs in cutting costs and raising revenue, claims the Elmsford, N.Y.-based Metropolitan Club Managers Association Inc. (MCMA) and its parent, the Club Managers Association of America Inc., of Alexandria, Va., organized a group boycott, because club managers feared CCA's work could cost them their jobs.

"The trade associations brazenly acted to restrict management companies from competing with their members," said Shaw's lawyer, Jeffrey Brown, a partner in the Long Island law firm Leeds, Morelli & Brown, P.C. The suit claims the trade groups, which represent more than 90 percent of the private clubs in Westchester and Nassau-Suffolk Counties, violated New York's Donnelly Act and general business law.

The suit alleges club managers conspired to raise, fix, and maintain their compensation and maintained an illegal group boycott against cost-cutting management consultants such as CCA. CCA critically reviews labor expenses and may recommend that private clubs reduce management costs or reduce their staffs to reign in high membership fees. CCA has often saved its clients tens of thousands of dollars each. "The defendants resist such recommendations as a threat to their own high consulting and management charges at the clubs they manage," the suit alleges.

Shaw, an industry veteran of 20 years and former manager of an exclusive country club on Long Island's Gold Coast, says he became acutely aware of the boycott in March at a clandestine special meeting of the MCMA's board at the prestigious Siwanoy Club in Bronxville, where the MCMA board advised him to stop marketing on their turf. Their ongoing boycott was a body blow to his business, Shaw says. "You must kowtow to us at this point," Shaw was told by one of the MCMA board members.

"Their unabashed statements to me were the last straw in a string of questionable activities that they have used against CCA since we opened in 2004," said Shaw, a certified country club manager who has worked in the industry for more than 20 years.

Shaw claims association officials admitted to regularly destroying his company's marketing materials and warned him not to send his company newsletter to club board members. The suit also alleges that various MCMA officials then portrayed his actions as being in violation of the group's ethics code and sent negative references to Shaw's potential clients, thereby disrupting his business.

The suit was filed against a backdrop of financial troubles in the private club industry. Scores of people have relinquished or suspended their country club memberships to save money as the downturn in the economy squeezed out luxury spending. The Madoff scandal also rocked the local country club economy, according to published reports and many clubs are scrambling to raise their cash flows. Membership at many clubs has plummeted by 30 percent and industry analysts are predicting that some struggling private clubs will close in the next year or two. Some private clubs are converting to public courses, or, if zoning laws permit, are being developed.

"CCA offers the exact services that clubs need most right now," said Shaw. "What the association has permitted to happen could not come at a worse time for the club industry."

Also named in the suit were Todd Zorn, president of the MCMA and general manager of the Salem Golf Club, North Salem; Barry Chandler, manager at the Winged Foot Golf Club, Mamaroneck; Randall Ruder, general manager at the Beach Point Club, Mamaroneck; James Singerling, chief executive of CMAA; Burton Ward, general manager of the Century Club, Purchase; Michael Galluzzo, until recently the manager of the Willow Ridge Country Club, Harrison; Robert Kasara of Siwanoy Country Club, Bronxville; Meg O'Connor of the Women's National Republican Club, Manhattan; and Joseph Meluso, general manager of Mill River Country Club, Oyster Bay.