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## Tom Cox tells his story to INNOV8 audience

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Written by Michael Lunsford and Leslie Turk  
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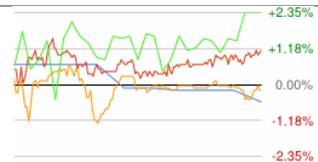
At Monday's LAUNCH HOUR event at the Acadiana Center for the Arts, entrepreneur Tom Cox laid a long-held rumor to rest: He did not dive into the lake at Le Triomphe to retrieve golf balls. His phenomenally successful business, however, did get its start selling used golf balls online.

"Most people want to know, 'did you really dive in the lake?'" Cox told those gathered to hear his "From Tee to Green" presentation from 11:30 a.m. to 1 p.m. Cox said in November 1995, while he was club manager of Le Triomphe, he met some guys who were negotiating pond contracts to dive into the lakes of golf courses to retrieve old balls. He teamed up with a web developer and decided to try selling them online as a hobby, with the divers actually fulfilling the website orders. The first full year in business, 1996, the company had \$17,000 in sales.

By 1998, "the hobby had become a hobby gone awry," he said. The name was changed from Golfball Warehouse to golfballs.com and sought capital to take the business to a full-time venture.

In 2001, the company hit \$2 million in sales, still running primarily on used golf balls. About that time, eBay hit its critical mass, doubling and then quadrupling its sales. "The guys who were selling the pond balls hadn't quite figured out how to sell directly on the Internet, but eBay made it so they didn't have to figure it out," he said. Cox reminded the audience of the then-popular term "disintermediation," or cutting out the middle man. He said

### ABIZ STOCK WATCH



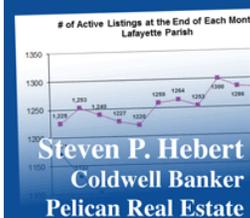
<a href="#">Home Bancorp</a>	16.93	▼0.10 (-0.59%)
<a href="#">IberiaBank Corp</a>	48.71	▲0.54 (1.12%)
<a href="#">LHC Group</a>	17.24	▼0.03 (-0.17%)
<a href="#">MidSouth Bancorp</a>	13.55	▲0.37 (2.81%)
<a href="#">PetroQuest Energy</a>	4.86	▲0.27 (5.88%)
<a href="#">PHI Inc</a>	23.10	▼0.20 (-0.86%)
<a href="#">Superior Energy</a>	22.27	▲1.20 (5.70%)
<a href="#">Stone Energy</a>	24.49	▲2.29 (10.32%)
<a href="#">Teche Holding Corp</a>	37.10	▼0.04 (-0.11%)

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## ALL SIGNS POINT UP, AS POWER SHIFTS FROM BUYERS TO SELLERS.



### MOST POPULAR - BUSINESS

1. [R2S software company comes to Hub City](#)  
 Software developer Return to Scene, commonly referred to as R2S, is opening its North American headquarters in Lafayette.





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golfballs.com wanted to build a direct relationship with manufacturers, but in order to build that relationship, it had to phase out used balls and focus more on customization and personalization. “We knew customization was where everything was going, so it was a relatively conservative bet.”

In 2004 the company moved from New Iberia to Lafayette and opened a retail store, by then doing about \$5 million in annual revenue. Since then, revenue has tripled and staff has doubled, according to Cox, with the staff of 50 swelling to about 65 during peak times. Today golfballs.com prints 1,200 dozen balls a day, six days a week, and sells all major brands of golf equipment. Sixty percent of its business is direct to consumer, with the other 40 percent in corporate and custom logos. Much of the custom products are sold through loyaltylogo.com, a companion business started in 2009 to leverage golfballs.com’s existing customer relationships. “We found out that as a golf company you can’t credibly sell huggies, you can’t credibly sell pens and pencils and those other kinds of [non-golf] items,” Cox said. “As a promotional products company, that’s related to golfballs.com, it is very easy to do that and be credible.”

Cox noted that it’s essential for a rapidly growing company to have a business plan that’s flexible and can easily adjust to changes in the marketplace. “Your business plan only works the day you write it,” he said. “It’s not a plan, it’s an evolving document that continues to move.”

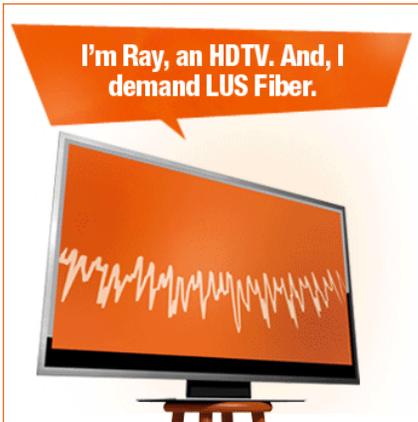
One member of the audience wanted to know how the company stays on track. “We’re neurotic and analyze everything. The belly putter thing, we knew was coming, because three weeks in a row the PGA tournaments were won by guys using belly putters and the manufacturer ran out of them. Clay Justice, here in Lafayette, invented something that turned any putter into a belly putter. You watch numbers and the environment you’re in. Every day we start with a 15-minute meeting with the directors of the company.”

## 2. [Local bank CEOs addressing American Banker crowd](#)

Daryl Byrd and Rusty Cloutier, presidents and CEOs of IberiaBank and MidSouth Bank, respectively, are listed as two of the four keynote speakers at American Banker’s merger and acquisition symposium May 1 and 2 in New York City.

## 3. [Taylors International expands to Brazil, Mexico](#)

Ranked No. 29 on ABiz’s list of Acadiana’s Top 50 Privately Held Companies last year, Taylors International is extending its international reach.



Brad Pecot, golfballs.com’s director of marketing, joined Cox in explaining how the company drives traffic and business to its website.

Pecot said there are two ways to drive traffic to your website through the search engines: organic and paid search results.

1. Organic involves search engine optimization.
2. Paid results are sponsored results: You are charged each time someone clicks your ad, with prices generally based on the competitiveness of the industry you’re in.

Pecot said email marketing is still an ideal channel for golfballs.com, ranking as its No. 1 traffic and revenue generator. In 2011, email marketing generated \$2.5 million in revenue, he said. “While email marketing may be dead for some industries, it’s certainly not dead in the golf industry.”

Cox added that email works much better for his company than social media.

The company’s staff is “neurotic” about analysis, consistently using Google Analytics to track its sales.

"If 100 people visit your website, and three buy, you have a 3 percent conversion rate," Cox said. "If you can get that conversion rate up just 1 percent, it's huge." In essence, Cox said you don't necessarily have to build more traffic, just better manage the traffic you already have.

The event was sponsored by



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A promotional banner for FLOR featuring a photograph of a modern interior space with a blue patterned rug and wooden furniture. The text on the left includes the FLOR logo and the phone number 866.433.3567. The text on the right says "Shop what's hot. New arrivals from FLOR." with a yellow "SHOP NOW" button.

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