





Mark McComack

he founder, chairman and CEO of the sports and entertainment conglomerate known as IMG (International Management Group), has at various times been friend of Arnold Palmer, best-selling author, TV announcer, world traveler, U.S. Open competitor, tennis husband, Tiger chaser and agent to the Pope. Mark McCormack is a man who does not sleep, his wife once said, but who "achieves rest."

McCormack's professional life is inextricably entwined with Arnie's. Before the pair hooked up in 1960 with a handshake agreement that has become legendary, young Palmer had an endorsement deal with Heinz that earned him \$500 a year (and free ketchup) and McCormack was just another lawyer in a suit. Today, decades past his peak, 68-year-old Arnie is still one of the highest-paid athletes in the world (Forbes estimates his 1997 income at \$16.1 million). And IMG is a billion-dollar empire that employs 2,000 people in 77 offices in 30 countries; that manages the careers of 700 stars, including golfers, tennis players, fashion models, musicians, divas, businessmen, broadcasters and writers; and that also has its many tentacles wrapped firmly around event management, television production and distribution, licensing and real estate. If anyone can still find work for Bob Dole or fix up a deal for Mikhail Gorbachev to endorse Pizza Hut, McCormack can.

In two lengthy sessions at the end of 1997, Senior Editor **John Barton** interviewed McCormack at his

sumptuous home—on McCormack Place—in Isleworth, the exclusive gated golf community in Orlando that also houses Tiger Woods, Mark O'Meara and Michael Jordan. It's a couple of miles from Bay Hill, where Arnie lives. McCormack occasionally gets in his boat and rides across the waters to see his old chum.

McCormack shares the house with his second wife, former tennis star—and IMG client—Betsy Nagelsen. With a roaring fire in the library, the house festooned with Christmas decorations, and the birth of their first baby together just one day away, there was an air of festivity to the proceedings (Maggie McCormack was born on Dec. 13, 1997 at the Arnold Palmer Hospital in Orlando).

In the second session, McCormack could hardly sit still, forever getting up to find various pieces of evidence: a photo of him in London with Tom Cruise and Nicole Kidman; his medal for being a leading qualifier for the 1958 U.S. Open; the latest IMG company report. In other words, he was expertly doing what he's done all his life: He was selling himself.





The McCormack File

GOLF DIGEST: Since we are just a few hundred yards from his house, let's start with Tiger Woods. You've seen a lot of athletes come and go. What does he have that the others don't?

MARK McCORMACK: He has got an immense maturity for his age, not only as a golfer but also as a human being. For Tiger to have done what he has done at age 22 is taking things to a new level.

PGA Tour Commissioner Tim Finchem says he hopes that in 20 years, golf will look like the rest of America—in terms of the racial demographics of the sport.

Yeah, that's right, but you want golf to look like the rest of the world, too. And I think Tiger, more than any other person, could do that. If Tiger Woods were to play exclusively in Asia—which he isn't going to do—but if he did, it would probably have a much bigger impact on the sport in the next two decades than anything else he could do. He could build an Asian Tour. Tim, of course, is U.S. oriented because that is his job. But the sport is much bigger than the U.S.

Earl Woods, Tiger's father, was hired by IMG as a "junior golf consultant" for a reported \$250,000 a year when Tiger was still an amateur. Tiger's \$40 million Nike deal was announced a matter of days after he had won his third straight U.S. Amateur. Can you say categorically that the NCAA rules were not . . .

Your facts are wrong . . .

violated?

Your number is off the charts it is so wrong. Tiger went to Stanford in September '94, and we had no commercial association with Earl Woods from '94 forward, because that would have been a violation of NCAA regulations. The arrangement we made with Earl Woods was not even close to \$250,000. You could take a zero off that, and it's probably closer.

The reason for the arrangement was that we knew Tiger's father would be at junior tournaments. So we made an arBirth date: 11/6/1930.

Bithplace: Chicago.

Residences: Orlando, New York, Cleveland,

Family: Wife Betsy Nagelsen (since 1986). Children Breck (1957), Todd (1960), Leslie (1966), Mary Elizabeth (1997).

Education: B.A. in French, William & Mary; JJD., Yale Law School.

Books: What They Don't Teach You at Harvard Business School (1984); The Terrible Truth About Lawyers (1987); What They Still Don't Teach You at Harvard Business School (1989); The 110% Solution (1991); Hit the Ground Running (1993).

Sports achievements: Competed in the 1958 U.S. Open, four U.S. Amateur Championships and three British Amateur Championships.

Current title: Founder, chairman and CEO of International Management Group (IMG). Core businesses include athlete representation; sports TV production and distribution; sports and classical music events; sports marketing; real estate; licensing.

IMG clients: Some 700 in sports, music, business and broadcasting, including Andre Agassi, Muhammad Ali, Bob Dole, David Duval, Chris Evert, Wayne Gretzky, Martina Hingis, Evander Holyfield, David Leadbetter, Nancy Lopez, Joe Montana, Colin Montgomerie, Martina Navratilova, the Nobel Foundation, Arnold Palmer (pictured above with McCormack in the '60s), Itzhak Perlman, Rolex, Pete Sampras, Monica Seles, Annika Sorenstam, Herschel Walker, Karrie Webb, Wimbledon, Tiger Woods.

Personal philosophy: "Be the best, learn the business, and expand by applying what you already know."

rangement with him to write reports based on what he saw, which players he thought were going to be good. I disclosed that arrangement to the U.S. Golf Association before it was made. It was approved, and there was no problem with it. Tiger's father wrote very detailed reports—which we have in our files. So your year is wrong, your numbers

are wrong and your facts are all wrong. And the Nike deal?

Earl is someone we have known for a long time. The question always being asked, long before Tiger went to Stanford, was what we thought Tiger Woods would be worth if he turned pro—which is a thing that any family would want to know.

We have had a lot of dealings with Nike. We have had [Andre] Agassi, [Jim] Courier, [Monica] Seles, [Pete] Sampras, Curtis Strange, Peter Jacobsen when he was with us; a whole bunch of people. So we talked to Nike on a "what if?" basis. What would Tiger be worth? That dialogue went on. We didn't represent Tiger Woods. We were just trying to give his father some information. Nike said what they would pay. So it was quite easy to get the thing concluded when he decided to do it.

Would golf be better off if we got rid of NCAA rules—if we got rid of the rules of amateur status the way tennis did 30 years ago?

No. The rules of the game should be controlled by the USGA and the Royal and Ancient Golf Club of St. Andrews. If there's going to be a change in amateur status, that change should be dictated jointly by them. Far be it for me to opine whether they should or shouldn't do it.

I will say some of the NCAA regulations are very unreasonable and archaic. The episode with Arnold Palmer and Tiger Woods having dinner in California was one of the most reductio ad absurdums that I have ever seen.

Tiger had been getting an awful lot of media attention. And he didn't know what to do. He wanted to meet Arnold and talk to him about it. Arnold was at Silverado playing the Transamerica Seniors tournament, and Stanford is quite nearby. We helped arrange for them to have dinner together.

Arnold paid the check, which I think was \$34 or \$45, and the NCAA suspend-

ed Tiger for a day. It's a joke. I have always believed that episode and the NCAA's reaction was a turning point in Tiger's approach to professional golf. I think he thought, "If the NCAA is this ridiculous, this absurd, I am going to get out of here."

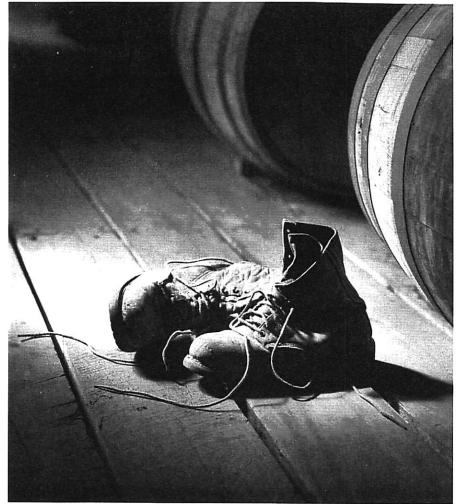
Would there be anything wrong with, say, signing a 14-year-old golf prodigy to \$5 million or whatever, in the way that happens in tennis?

No, there is no reason you can't do that. In tennis, we signed Martina Hingis when she was 11 or 12. I think we brought Anna Kournikova and her family to the Bollettieri Tennis Academy, which we own, when she was 9. We have signed figure skaters, gymnasts, very young.

It is very easy for people to say, "Why don't you let this poor child live a normal life, go to high school, go to college, go to the junior prom?" What these people sitting in ivory towers miss is that there are points in people's careers where they have an opportunity to make enough money to make not only themselves secure for the rest of their lives financially, but also to make their families secure. It is fairly presumptuous to suggest that a family should reject that opportunity out of hand. People who say that are very naïve.

You also have the possibility of injury. We represented three football players: Larry Csonka, Jim Kiick and Paul Warfield, who were Miami Dolphin players back when the Dolphins were Super Bowl champions. We made large contracts with them to go play with another league. The Miami papers went nuts, and everybody said, "How can you turn your back on the Dolphins?"

Larry Csonka was in my office right after that, in Cleveland, and he said, "You know, I have got kids to educate, I have got a mortgage to pay. I could go out and tear a cartilage tomorrow playing football. You think those fans and those



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sportswriters would pay my mortgage, or educate my kids?"

How difficult was it to sign Tiger? Was it a long drawn-out battle?

Well, I wasn't personally that involved in the machinations that went on. But obviously a lot of people were making a lot of approaches to Tiger and his family. I think he knew who the best company was. He sensed he was going to be a global player, and he knew we were the only global company in the sport and we were the best. So I don't think there was ever much of a chance anybody else was going to sign Tiger, who is a very bright person.

We heard you had to cut your normal percentage to get him.

I have no comment on that. I don't talk

about percentages. It is up to the clients to say what they want to say.

There have been so many tragic figures in sport. How does Tiger avoid becoming one of them? What are the potential pitfalls?

He's got to concentrate on playing golf as well as he can. It is very easy to get involved in a whole bunch of other things.

Sports personalities often think if they are a champion in sport they can be a champion at everything. We have had athletes setting up sports magazines, people going into the automobile business, into the restaurant business. They just think they can do everything, and they can't. Tiger knows that. There will be time for all those things later on if he so chooses.

Next year there are going to be four new big-money events that have been described as the germ of a World Tour. Will these lead to a World Tour in golf?

I don't think so. It's just four new events. Tim Finchem's job is to make the U.S. tour successful for its players, for its sponsors, for its charities and for the spectators. And I think he should just do that. The U.S. tour should not be trying to control world golf.

What would be wrong with the PGA Tour owning and running a truly global World Tour?

A lot wrong. The PGA Tour is an American organization. A global tour is the world. America is a very small part of the world.

Golf is run by the R&A and the

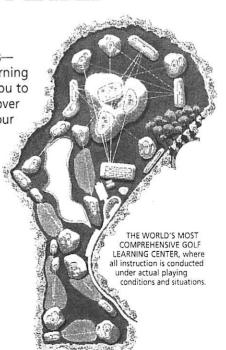
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USGA. Those are the governing bodies. The U.S. tour is designed to look out for the interests of professional tournament golf in the United States, which is not in the best interests of the sport globally. For anybody to be kidding themselves about that is ludicrous.

If you were interested in the sport globally, you would try to have the best players expose their talents in New Zealand and Peru and Nigeria and Egypt. But the PGA Tour is restrictive with players and TV policies, which is not good for the sport. It is insular. Some of the tour's initiatives make it seem like they are the governing body of golf and that the USGA is just a bunch of blueblazered officials.

What would be some examples?

The World Golf Village, First Tee program, this sort of stuff. They are all fine, but it's like they're there just to try to show the world and America who is running golf.

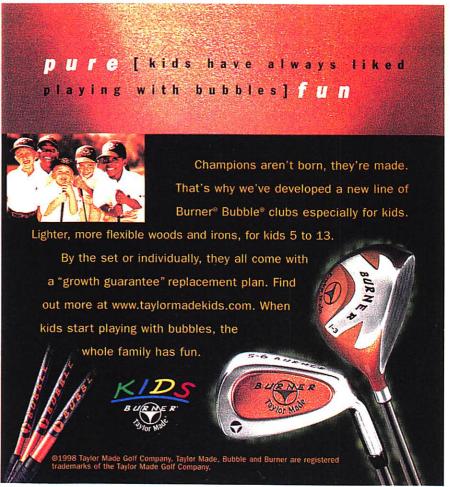
If you believe in market forces, which you clearly do, why shouldn't they try these things to make themselves stronger?

Why don't they start controlling the balls and the clubs and amateur status rules and Rules of Golf? Why don't they do the whole thing? They shouldn't. It is not right.

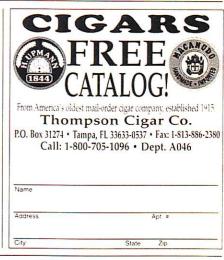
You could have started a World Tour decades ago, before the tours were strong, and owned it all. Do you wish you had? No. I've had a lot of opportunity to do that. I had opportunities in the '60s, '70s and up to and including the '90s. I still have. You have a lot of people still talking about a lot of global-tour ideas. But the sport works as it is. A World Tour is something I could have done quite easily. But it isn't in the best interests of golf.

What did Greg Norman do wrong in his attempt to launch a World Tour?

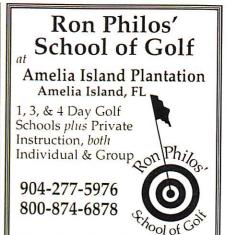
He tried to do it unilaterally without getting everybody on board. The idea was bad in the first place. Had it been good, it











would have happened before he tried. He didn't think it out very well. He went to Rupert Murdoch and Fox and one or two other players, but he didn't seem to understand how golf works.

But if Murdoch, Ted Turner or Bill Gates organized it, and offered more money, would there be anything to stop them from launching a successful rebel tour? I think so. The powers-that-be in the sport would not support it. Golf has worked because there is a great balance of power.

We have got the U.S. tour and the European tour, the USGA and the R&A. It all kind of works, and the sport has thrived. Kind of like our Constitutional founding fathers wanted America to be, with a Supreme Court, the legislative

and the executive branch. The axiom "If it ain't broke, don't fix it" applies.

What about women's golf? If you became commissioner of the LPGA Tour tomorrow, what would you do?

Women's golf is a better bet in the next two decades than the senior tour, for sure. Most knowledgeable people would agree with that.

The difference between men's and women's golf today is that—except in Japan—not a lot of top-class professional women's golf is being played on various tours round the world. The women's European tour has had problems lately. There is a lot of opportunity for women's golf in Europe, and in Australia, South Africa.

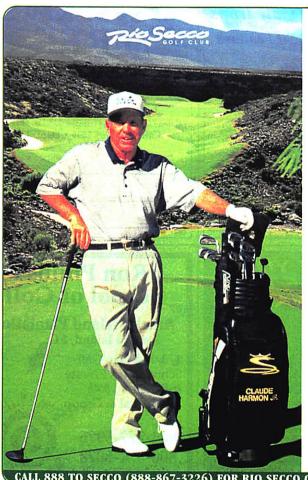
If I were LPGA commissioner, I would

certainly be thinking about a more global approach. You would not be competing with or overwhelming a foreign tour. You'd be supporting the growth of the sport in these countries where help is needed.

You recently signed a deal with the International Dance Sport Federation . . . Oh yes.

and it seems likely that ballroom dancing will become an Olympic sport in 2004. Should golf be in the Olympics?

Well, I was with President Samaranch of the IOC [International Olympic Committee] in Lausanne, Switzerland, a couple of months ago. We talked about it a little bit. He has had meetings in Valderrama about it. He wants to make sure he has the best players; his idea is of team



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competition as opposed to individual competition. Done right, I have no problem with it.

In the movie "Jerry Maguire," Tom Cruise plays the part of a young sports agent who gets disillusioned, finds a conscience and writes a "mission statement" for his co-workers that gets him fired. Did you ever experience a career crisis of conscience?

I have had dinner with Tom Cruise in London several times. I told him that obviously IMG was the company he left, in the movie, and I was delighted he only took one client. What was the question? Did you ever have a similar crisis, a period of soul-searching about your role in the world as a sports agent?

We try very hard to help our clients.

There are instances where we have helped clients, many of which don't get publicized. Our goal is to help clients be better people, to maximize the commercial elements of their talents while at the same time not in any way denigrating their desire to be better people and have families and all that kind of stuff. We get criticized for a lot of things. But I think if you talk to our clients, you'll find a lot of pretty happy people.

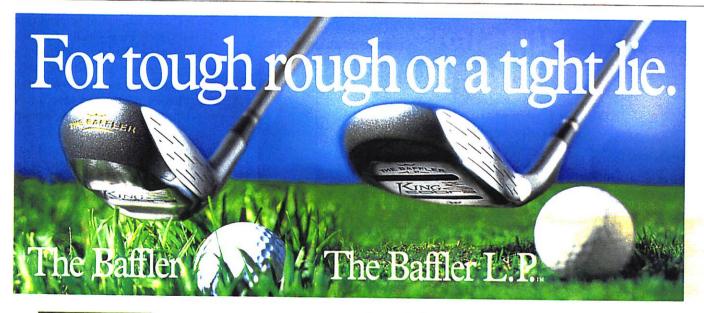
The catchphrase in the movie is "Show me the money." Is that the prevalent attitude among athletes today?

That is like asking if it's the prevalent attitude among journalists. I am sure to some it is and to some it isn't. I think money is important to athletes. They have a limited earning curve. You don't even want to think about Ian Baker-Finch in terms of what happened to his golf career.

What are some examples of people who have been mismanaged, or who haven't received the money they could have?

There are dozens. There are two times you can make a lot of money in sports: when everybody thinks you are going to be a superstar, and after you become a superstar.

Going into his professional career, Ben Crenshaw had everything going for him. But he decided that money wasn't that important. He just wanted to concentrate on playing golf. He became very good. He is one of the nicest guys I know, really great for the sport. But he fell short of being a superstar. He never got what





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of trouble faster than you can say "green in regulation."





he should have from phase one, and never quite reached phase two. He'd have been far better off being with us from Day One.

Do you have any competitors?

Not really, no. We have a lot of one-off boutiques. But golf is global, and there is nobody else that is global. Vinny [Giles, of Pros, Inc.] is a great guy. He is in Richmond, Virginia. Cornerstone Sports is in Dallas. You've got Lynn Roach, who represents Fred [Couples] and I don't know who else. Seems like a nice guy, too. John Mascatello has [John] Daly. [Tom] Watson has his brother-in-law. Jack [Nicklaus] and Greg [Norman] both have their own organizations. Anybody who really wants to be represented on a global basis—well, there is no alternative to us.

You can't argue with IMG's success, but inevitably there have been some criticisms. I'm sure you've heard them all. I would imagine.

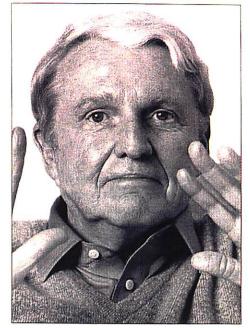
I would like to raise them each and get your reaction.

Sure.

The first one is the conflict-of-interest issue. IMG expanded from representing athletes, to running events and providing TV coverage. You are often taking a cut from every side of the pie.

Every time I get asked that question, I ask the interrogator, "Give me a specific example."

See, the generality is, gee, you represent the players, you own the tournament, you sell the television rights, and isn't that awful, isn't that just fraught

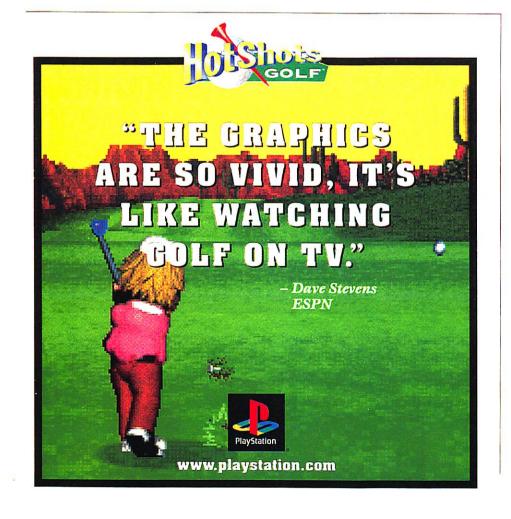


with problems? Usually it gets aimed at the World Match Play in Britain. And I say, well, we created the event, we put up the prize money, we made an arrangement with the golf course to stage it, and we have provided the British golf public with a great occasion for 34 years. What have we done wrong? The fact that a lot of our clients happen to be playing in the World Match Play—well, they deserve to be playing. We have created a great event. It has been good for the sport.

But to have that much power is dangerous. There's nothing to stop you commercializing any sport to your advantage. Well, right. We could have done a World Tour. We could have done it in tennis. As opposed to saying what we could do because of our power, tell me what we have done that has been wrong for any sport that we've been involved in. There may be purists who say, "Geez, they have created a Skins Game, that's bad." But the Skins Game has had some of the highest TV ratings in golf. What's bad about it? I mean, it's good.

Besides the Skins Game, purists point to such IMG inventions as corporate tents, appearance money, the Silly Season, billboards at the British Open...

Whoa! What is the matter with corporate tents? We invented corporate tents at Wimbledon. They had never had them before. It's great. Nothing wrong with corporate tents. You say Schweppes billboards at the British Open? It doesn't



really bother me very much. Certainly doesn't bother the R&A. Commercial identification, tastefully done, isn't bad. What were the other ones you said?

Appearance money, the Silly Season.

Appearance money is inevitable. There is no profession in the world where the best don't get more to perform their art than the not-so-good. Paul McCartney charges X for a concert and an unknown singer charges Y.

The problem is that golf's professional bodies are one-man, one-vote bodies. The majority voters want to spread out prize money. They want to have people paid for mediocrity because they are mediocrity. That is bad for the sport. The people that just make the cut every week probably ought to get on with something else in their lives.

People put in these rules about appearance money that are admirable in intent, I guess, but none of them work, obviously.

So appearance money is alive and well on the PGA Tour?

Sure. In all kinds of ways. Come to a dinner the night before the tournament starts and you get \$100,000. It is understood, of course, that you are going to show up for the tournament. Or you can use our corporate jet for 20 hours if you come play our tournament. Play the XYZ Open and we'll give you an XYZ contract. All kinds of permutations. It doesn't take a lot of creativity to figure out how to get it done. If it makes everybody feel better, going through that charade, then fine.

And the Silly Season?

I don't know who invented that name. Probably the U.S. tour, because anything they don't control, they like to call silly. The Silly Season has a lot of pretty interesting events.

But do you think the proliferation of such things cheapens golf in any way?

Not yet. I think it could. You could have logos painted on the greens in a tourna-

ment. You could have nonstop commercial signs along all the fairways. But it is under control. It's not any worse than a lot of other sports. I don't feel the tastefulness of golf has been in any way damaged today.

Is it in danger of being damaged?

Anything done to extreme can create damage. It is one thing to have a caddie wear a Deloitte & Touche visor, it is another to dress the caddie up as a Coca-Cola bottle. You could do that. I am not troubled by the visor. I would be troubled by the Coca-Cola bottle.

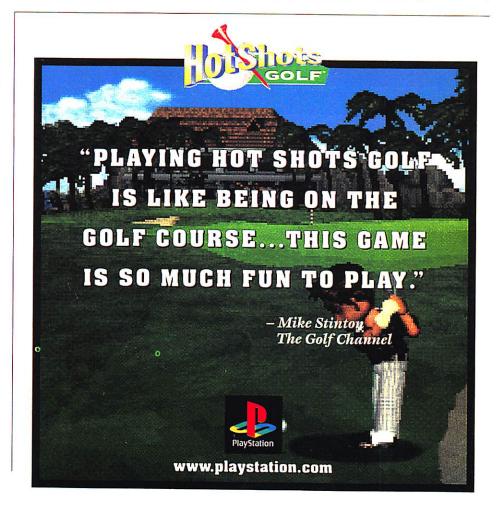
Going back to conflict of interest, some of your competitors say it's fine to represent players or to run tournaments, but if you do both, you have a monopoly.

Nobody is stopping them from running

tournaments. Why don't they go do it? It's a free world. The fact they are incapable of doing it shouldn't work to our detriment.

Some people say, while you are entitled to take a cut of any endorsement deal you fix up for clients, it is ethically wrong to take a percentage of the prize money the players have earned through their own endeavors. At that point, the clientagent relationship moves from being symbiotic to parasitic.

Let's say I'm a client, and this year I made \$1 million. I paid IMG—I'll pick a number—\$200,000, part of which was from endorsements, part from appearance monies, part from prize money, part from financial management or whatever. The key question the client has got to ask is,



"Is \$200,000 a fair number to pay them for what they have done for me?" Or put another way, "Had I not had them at all, would I be more than \$200,000 worse off?" That's the only question at the end of the year: Is IMG worth it?

Frank Hannigan wrote in the July 1997 issue of GOLF DIGEST: "IMG is terrific at making money for many of its clients, but subtlety is not its thing. In fact, when it comes to public relations, IMG is awful. IMG's idea of PR is either to bribe the media or kick them in the crotch."

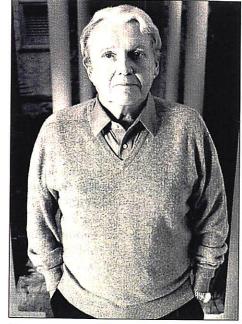
Well, I came very close to suing Frank Hannigan about that comment, because bribery... that is an actionable phrase. I feel kind of sorry for Frank. He has had a difficult career, which is waning. Most people at the USGA tell me the chip on

his shoulder gets bigger as each year goes on. He is a very bright guy who has just not been very successful in life, and I feel sorry for him.

But it is perceived that IMG could do more to help its own PR and its clients' PR, by doing things like schooling players in how to talk to the media, how to cope with the pressures of the sport and so on. Do you do that?

We do a lot of it. It gets very frustrating dealing with certain elements of the press, because you can't win. But we certainly have never bribed anybody and never kick anybody in the crotch. But I guess you just have to consider the rather sad source.

Take a client like Colin Montgomerie. A terrific player, yet he has had some terri-



ble press over things he's said, the way he's behaved. Doesn't anybody at IMG sit down with him and say, "Come on, Monty, we've got to sort this out. This is a problem"?

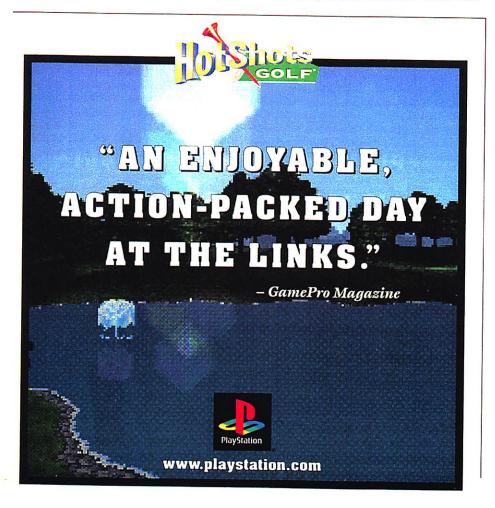
Colin Montgomerie is one of the nicest men I have ever met. Some of the problems he got into during the Ryder Cup were unfortunate, because I think most all of the stuff he said was taken out of context. Sure, you talk to your clients about difficulties with the press or problems, and you do what you can to help them. But I don't like getting our business into the press.

What about some of the Tiger incidents, the controversial GQ article, for instance [Woods was quoted using profanity and telling tasteless jokes]? Are those things you'd sit down with him and say...

Look, Tiger was 21 years old. The crew at the GQ photo shoot started telling jokes and Tiger joined in. Tiger believed that he was speaking off the record. He will learn. We all learn.

Is it IMG's role to teach him?

I think it is everybody's role. We talked a lot about the Columbus, Ga., thing [Tiger withdrew at the last minute from the Buick Challenge in September 1996 and thereby skipped the Fred Haskins Award dinner to be held in his honor]. We all made a mistake there. When he withdrew from that tournament he actually came to stay here, in this house, for five



or six days, himself. Nobody knew where he was.

Frank Williams, Greg Norman's former agent, once alleged that IMG often packages athletes, using them for leverage in negotiations without the athlete's knowledge.

We don't do that. I don't know quite what that means. If what it means is, we say: "We will give you Greg Norman if you will take two young clients"—well, we haven't done that.

There are a lot of ways that kind of dialogue goes. Often a sponsor will desperately want something you have and may say, "God, if you can do this, I'd really like to help you in any other way I can." There are a lot of different ways interchange takes place. Frank used to work for us.

Talking of Greg, a feeling in recent years is that the really big established names can do better on their own. You've had some major defections: Norman, Faldo, Price. How much have those hurt IMG?

I am glad you asked that question. Our current clients won 20 of the 45 tournaments on the U.S. tour [in 1997]. We had about 44 percent of the entry at the Tour Championship. You ask, "How much did that hurt?" Well, we are doing fine.

It is interesting. A lot of these people leave because they want to have more personal service. They say they are run around too much. They want to concentrate on their golf. Their minds will be more at ease if they have someone working only for them, their golf will get better. Now I would like to name, if I may bore you, a few people who left us. [Consults a pile of notes.]

Greg Norman, as an IMG client before 1994, won 62 events including two British Opens. On his own, he blew a six-shot lead at the Masters in '96, missed the 36-hole cut twice in '97 in majors, and for the first time in 12 years didn't have a top-10 finish in a major.

Nick Price left us in 1994 to be represented by a friend from South Africa, whom he has now left. After winning the British Open, two PGAs and 12 tour events as an IMG client, since he left us he's won once on the PGA Tour. As an IMG client he was seventh on the money list in '91, fourth in '92, first in '93, first in '94. Since then, he was 30th in '95 and 50th in '96. [Price finished 17th on the money list in 1997.]

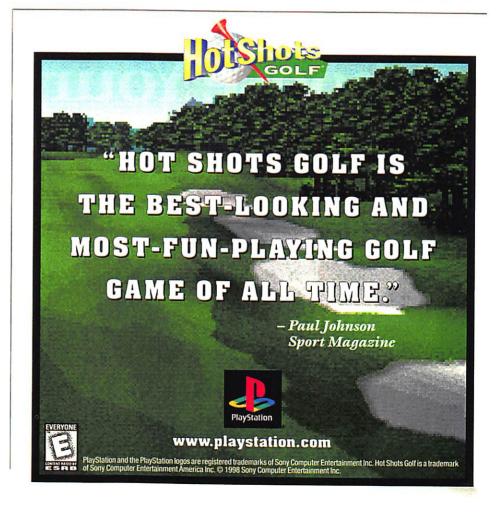
Nick Faldo was probably the best major-championship golfer of the current generation. Faldo left us at the end of '96 in order to further his objective of winning more majors. In '97, his best major-championship finish was a 48th-place tie in the U.S. Open. He missed the cuts in the Masters and the PGA.

Sandy Lyle left us at the end of June 1994 to be represented by another management company. As an IMG client, he had 25 career victories, won two major championships, and he hasn't won since. He is currently 246th on the world ranking. Ian Baker-Finch—I don't have to tell you about him. Peter Jacobsen had the best year of his career in 1995, left us in 1996. He is currently 142nd on the world ranking.

You presumably don't think any of those are a coincidence?

Well, I think it is amusing. People leave us saying they want more personal attention, which will allow them to play better golf. And history doesn't bear that out very well.

Is there any animosity on your part



toward these people for leaving?

Not at all. Nick Price is an absolutely terrific guy. You could not have a nicer guy than Nick. I am certainly sorry that Nick left. Nick Faldo was with us for over 20 years, and we did a heck of a job for him. And Nick Faldo has never said one bad word about me or IMG since he has left. Nick Faldo has a great sense of humor, and I have a lot of respect for him. I have somewhat less for John Simpson [Faldo's agent, formerly with IMG]. But that's another story.

Greg's case is a little different. We did an extraordinarily good job for him. It is a little bit ironic that Greg left IMG because he didn't think we were doing a very good job, and then hired two of our people right away to run his affairs. I feel more disappointed in him than in any of the other players, because I don't think he was fair.

Because of some of the things he said?

I just felt we had done a mind-blowing job for Greg and suddenly he decided to take the money we earned him and set up his own organization. Then he said to people that we hadn't done a very good job. An Arnold Palmer would not have done that. There is loyalty inside a lot of people. I don't think that loyalty was there with him.

It is a tough business. We make a lot of money for clients. But some say, "What have you done for me lately?"

So it's not so much that Norman left but the way that he left.

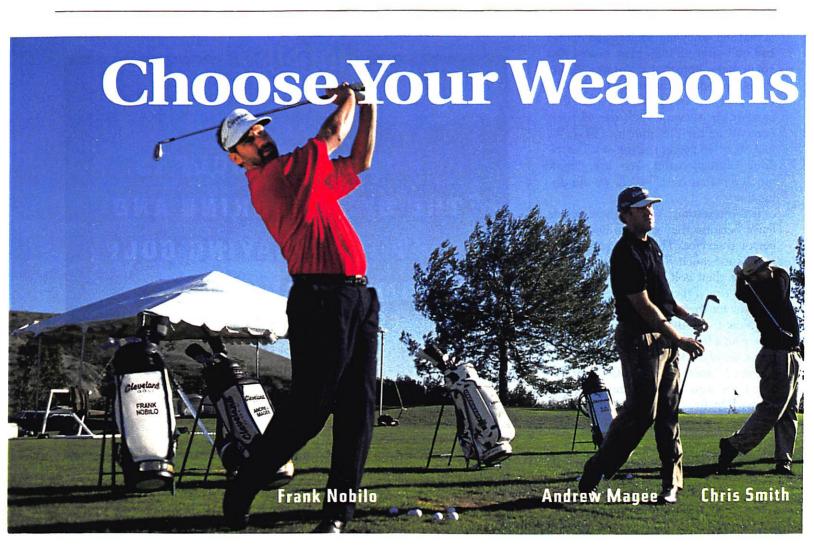
I think so. There was never the thank

you. A lot had to do with Hughes Norton, who is a genius as a golf manager. Hughes went through a divorce, didn't have much of a family life and devoted his entire life to Greg. I know how much blood and guts Hughes spent working for Greg. He rewrote the record book for Greg Norman in terms of everything: appearance money, endorsement contracts, creative things to do. Fortunately, Hughes has rewritten the record book again with Tiger and made Greg Norman's contracts look very small.

Is Norman still the best player in the world?

No. The best player in the world?

He is according to the Official World Rankings that you created. [Woods took over the No. 1 spot on Jan. 11, 1998.]



I think Norman's right up there. He is an immense talent in golf and a very charismatic person. No question. He is a great player, though he has not yet realized the potential from his talent. He may do it.

But if he doesn't, he would be remembered more for what he didn't do, and for his Masters collapse, than for what he has done. He would be remembered for losing, for choking. He is a very exciting player to watch, but unfortunately, some of his worst days have been the most highly viewed in the history of the sport. That is unfortunate for Greg.

He gives the impression of being more interested in business.

He would be better off trying to win major championships, and concentrating on business when he gets a little older. He

may be one of the best players in the world, but he certainly is not the best businessman in the world.

The final common criticism is IMG burns players out by giving them too many offers they find hard to refuse—the Bill Rogers syndrome.

I just answered that. The people who left us in an effort to play better haven't played better.

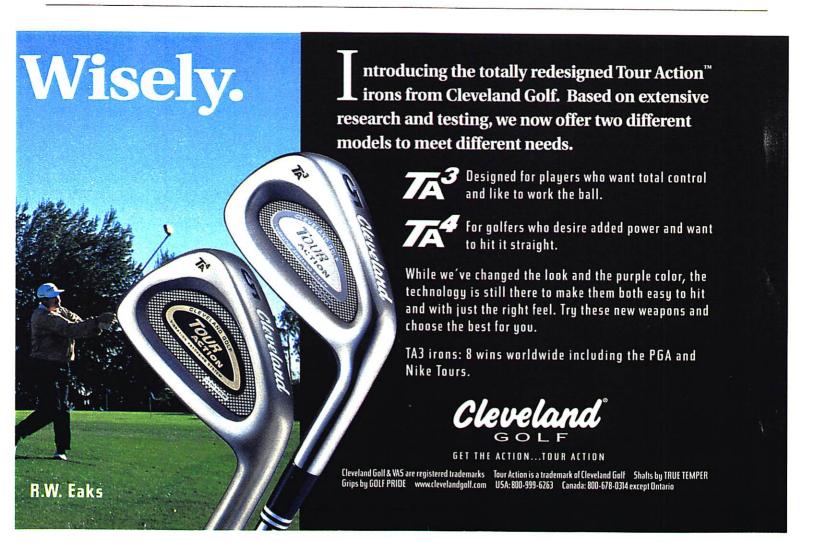
There is a conflict, though. As a player I want to do what's best for me. As an agent, you want to make money. Those aren't necessarily always going to be the same thing.

Let's say we totally controlled Tiger Woods, which we don't. There is no question if he were to travel the world getting mega-appearance monies in 1998, he would make millions more than on the U.S. tour. But we would be very shortsighted and very stupid to suggest he do that. This is a long-term thing. IMG is not some fly-by-night company.

Suppose Jose Maria Olazabal becomes a client. He always takes the winters off. I can't believe some pressure wouldn't be applied to him to play in various events—because during all those winter months he wouldn't be making money for IMG.

You misjudge our company. If Jose Maria Olazabal were a client, all I would say to him was, "Do what you have to do to get ready for Augusta."

We're smarter than that. Some clients want to play every week. Others don't want to play that much; they want to go



fishing. You have a Bruce Lietzke, who doesn't even want to go to the majors. I think you have to deal with the person. Different people do it different ways.

Do all of the criticisms of IMG, the nicknames, hurt you personally?

I am flattered by most of them. Many people are jealous of success. Many people shoot at success and try to knock people off pedestals. You expect it. It's part of the game. You just try to work hard, do the best you can and keep doing a good job.

Let's go back to the beginning, to your background.

Oh, so now we're going to get friendly? **Yes.**

It only took you 2³/₄ hours.

What is your very first recollection of

golf-whether watching it or playing it?

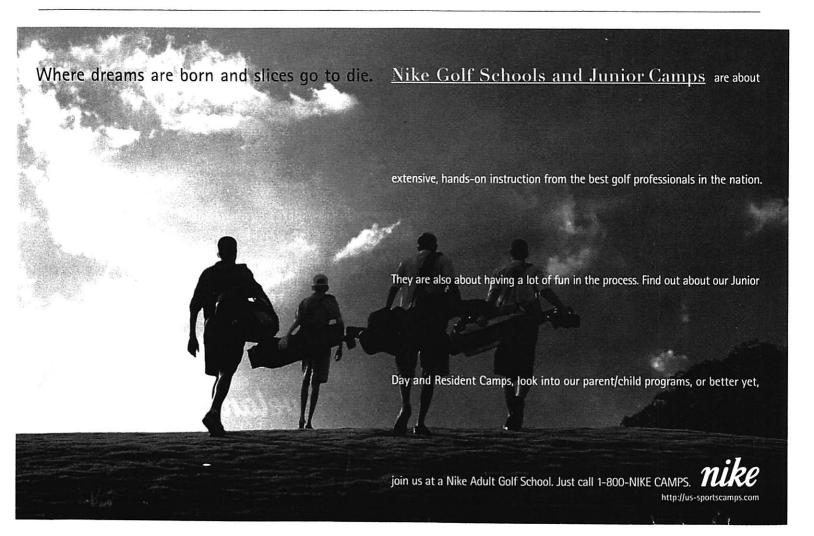
When I was 6 years old I was hit by a car and had a fractured skull. The doctor told me I shouldn't play football, which I loved. My dad started teaching me golf. When I was 6, there weren't a lot of young kids playing golf. My godfather was Carl Sandburg, who was a famous poet. He lived up near us in Michigan. I played golf with him.

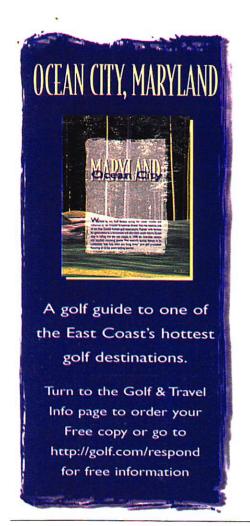
I will never forget, in the early-to-mid-'40s I was in Kansas City with my dad, and we went out to the Kansas City Open at the Hillcrest Country Club. There was this player who was doing very well named Frank Stranahan. I had my little, tiny Brownie camera. I was a little kid. He was walking from the putting green to the tee. He saw me and stopped,

and he smiled and let me take a picture. I never forgot that. He had a shirt on, I will never forget the shirt, either. My goal was to get one of those red shirts.

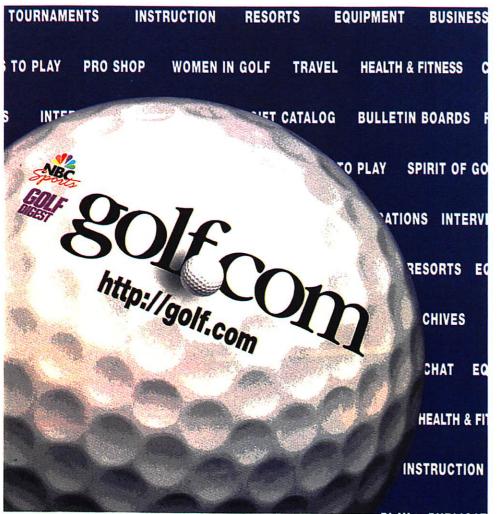
I still correspond with Frank Stranahan. It is really amazing, you hear things about kids and autographs and the way players treat the public. I never forgot.

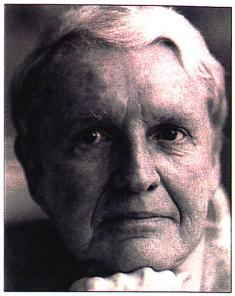
I asked Henry Picard for an autograph once; he didn't give it to me. And you know, I remember never liking him ever since then, rooting against him. A little thing. I met him when I was older. He was the pro at Canterbury in Cleveland. He gave me a couple of lessons, and I actually kidded him about it. It's amazing the impact you can have on a child. Stranahan was my hero. Just because he had stopped and let me take a picture.











Did you get the shirt?

Yeah, and I wore it for years. It was an unbelievable shirt. My mother gave it to me for Christmas. I always called it my Stranahan shirt.

Were you always competitive and driven as a child?

Yes, I was. I used to play golf tournaments with cards. I had a whole tour. In other words, I had a deck of cards, I would have my pairings, all the players on the tour. Diamonds and hearts were pars, clubs were bogeys, spades were birdies. Ace, king, queen spades were eagles. Two, 3, 4s were double bogeys. I would just go zip, zip, zip, par, par, par. I did the whole tour. And I had money lists. I have hundreds of notebooks in this house somewhere of the tournaments I did like that, when I was a kid and even later, just for amusement.

You are probably not given to introspection—but if you had to give the reason you have always been competitive and driven, what would you say?

I don't know. My mother was always very aware of accomplishment and money and all those things. My father was a very wonderful man to whom other things in life were far more important than earthly goods. I suppose my mother really was the person who made me want to strive to accomplish things I perceived would have pleased her.

I try to do what I do best. There's a famous line that Jack Welch, the head of General Electric, said. He said, "You know how you beat Bobby Fischer?" The

answer is "Don't play him at chess." I know I can't beat people on the golf course or the tennis court—but there are things I can beat people at.

What do you recall about your competitive golf experiences? You played in the '58 U.S. Open.

I was medalist in the qualifier in Ohio. Southern Hills was very difficult. The rough was absolutely horrible. I shot a 78 the first day, and played as well as I could.

I came off the 18th green and [then USGA Executive Director] Joe Dey said, "How did you do?" I said, "78." He said, "That's too bad." I thought, "Too bad? This is one of the monumental accomplishments of all time."

I think I was one under par after four holes. I went back to the scoreboard that night, and there was nobody in the tournament who was two under after four holes. So I convinced myself I led the U.S. Open for four holes.

But I had no chance. I didn't have a very good swing, and I wasn't very good. When did you first meet Arnold Palmer? Do you remember?

It was when William & Mary played Wake Forest in golf in the early '50s. I didn't see him again until the late '50s when I started an exhibition company in Cleveland. Arnold was one of the players we had signed to do exhibitions.

What was the first endorsement you got for Arnie?

There was a company in Tennessee called Tigrett Industries, which was owned by the guy whose son later formed Hard Rock Cafe. We got a driving-net endorsement for Arnold. We did the photography session at the Mobile Open. They had it all set up by the 17th fairway; and Arnold, the first ball he hit went right through the net and over the crowd.

Did Mark McCormack make Arnold Palmer, or did Arnold Palmer make Mark McCormack?

I think Arnold made Mark. He gave me my chance. If he had not given me my

chance, I am not sure whether I'd have taken the risk of leaving the law firm. I like to think I helped him maximize the commercial potential of the charisma and personality he had. But, for sure, without Palmer there's very little doubt I wouldn't have gotten where I got.

Talking of icons, what about the Pope? People are always amused he shows up on your list of clients.

That was in the early '80s. The Pope was doing a tour of Britain. The Catholic Church saw on previous tours people were selling piety items. They didn't like it for two reasons: One, the items weren't of a very high quality. And two, they weren't getting any of the money. So we represented the Church in the marketing of the Pope's tour. Of course, the British

tabloids had a field day. They ran a cartoon of the Pope saying: "Give us this day our daily Wonderbread."

How come you never moved into Hollywood, the movie business?

A lot of very, very talented people are running Hollywood. It's the Bobby Fischer thing again. If you're very good at selling apples, and there's a great demand for apples, why move into pears? When you know nothing about pears.

But you created your empire by moving into pears.

We only expanded in ways that made sense. The people we knew doing sponsorship or TV rights are the same whether it's golf or a classical music concert.

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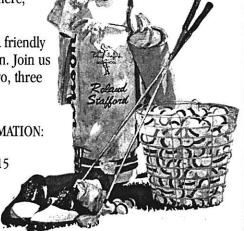


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with \$1.02 billion in revenue, \$34 million in net income. Is that accurate?

I have no comment. We are a private company, and we will remain private. I think they are a little low on their revenue.

You have obviously had millions of opportunities to sell IMG, and walk away with ...

A lot of money.

Why haven't you?

I just enjoy what I am doing too much. I don't want to retire. Anybody I've known who has had a private company and gone public, in America, has been sorry they did it. I don't need anything right now. So I don't see any reason to come up with that objective.

Why do people who go public regret it? Because of all the S.E.C. [Securities and Exchange Commission | scrutiny and shareholder requirements and outside people second-guessing what you are

doing. You have to disclose information that your competitors can see.

Plus you've got to keep a bunch of Wall Street types happy.

That's right. Instead of looking for the long-term, you're worrying about what the next quarter earnings are going to show.

Have you got a plan in place for your successor?

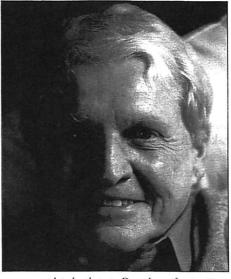
We're pretty well set up. I mean, we've got very bright people working for us. People say, "Gee, IMG's great, but what'll ever happen if something happens to Mark?" Well, it will probably be better.

Is the top job likely to stay in the family?

I think my children [McCormack has three adult children from his first marriage, who all work for IMG] are very happy with the current management structure of the company.

What does that mean? Will your successor be your No. 2 guy or one of your children? Or someone else?

It depends. I have had more meetings in the last five years about my death than



you can think about. People refer to it as "The Event." A lot would depend upon when the event happens.

What kind of people would it take to make IMG a continued success in the next century?

Oh, I think people who are looking at the long term, people who are visionary in terms of what is going to happen in sport. Because everything changes.

You take most of the team sports today, they are all going to end up going global. I don't know when. The NFL will be in Tokyo and Frankfurt at some point and the NBA will, too. You have got to figure out when that is going to happen, how to be a part of it.

Just to finish off in the last 10 minutes we've got . . .

You came early.

You want me to go?

No, that's alright. [Laughs.]

A lot of people say you changed a lot when you married Betsy. Is that true?

I think so. Too many people say it, for me to think it isn't true. Betsy is a very spiritual person. Frankly, she is the only person I've ever known in the world who everybody likes. She is constantly reminding me that all of these World Match Plays and being the Most Powerful Man or whatever are very temporal. You'd better be worrying about eternity a little bit more.

She has provoked a lot of thought and a lot of action on my part in those areas, the spiritual areas. She is a fun person, great sense of humor. She brings me down to earth.

And the challenges of becoming a father again at your age?

It's very exciting. At different ages things affect you differently. It was sort of a routine thing when I was married the first time. It's a huge thing to Betsy, and I'm sure it is going to affect me a lot.

There is obviously a great disparity in your ages. Is there any downside?

I'm going to die first, probably. Somebody said for a man to find the ideal age for a woman, you should divide his age by two and add seven. So when you are 40, 27 would be right. If you are 66, 40 would be right. So we would be just about right according to that formula. [Betsy is 41.]

Yes, I think there's a downside. But I am a youngish 67. Certainly having a child at this age is challenging, but I know it is going to be great.

I showed your signature to a friend who is a handwriting analyst . . .

Oh geez.

and she said that it revealed somebody who was diplomatic, defiant, intuitive and cautious. How would you describe Mark McCormack?

You'll have to get my wife in here for this one. I will defer an answer on that. [Calls her on house intercom.]

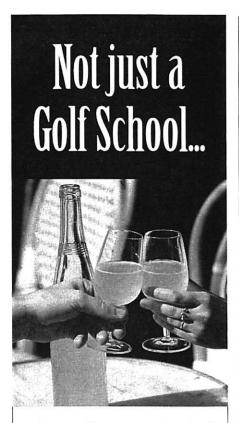
Have you slowed down at all from the furious pace at which you've worked?

I work very hard. I am a competitor. I like to win. I'm more patient than I used to be. Part of it is to set a really good example. I call London at a quarter to 10 in the morning, London time, and they know I am in Orlando.

It is one thing to be sitting on a yacht in the Mediterranean and calling up complaining about stuff, and everyone saying, "Yeah, give me a break. Go get your red wine for lunch." It is another thing to have me, at 4 in the morning, calling somebody up. Whatever you hear about me, you won't hear that I don't work hard.

Have you ever suffered from stress?

I don't know what stress is. My physical



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exams, knock on wood, have been very good. I'm very well organized with what I do. If I told you what I did the last couple of days, you'd say, "Gee whiz, a lot of stuff," but it was done smoothly. There wasn't any problem with it.

Do you still play sports?

I play a lot of tennis. I play very little golf. I played a couple of times during the British Open, at Prestwick, which I love. I keep threatening to play more golf. I'm sort of about an 8- to 10-handicapper today, something like that. I have a very short swing; it repeats itself well.

The problem I have is that I was a pretty good golfer once. When I started working really hard I stopped playing a lot. I don't want to play golf badly when I once played it well. Plus, golf takes a terribly long time to play. I expect nothing from myself in tennis, so I don't get mad. My wife says my greatest talent in tennis is picking my doubles partners. I am very good at that.

Tell me about the cruise you took a few years back.

It was for 11 weeks in 1994. I started out in Buenos Aires in January and ended up in Japan in April. I went around Cape Horn up to Chile and across to Easter Island and the Pitcairn Islands, Tahiti, then down to Auckland, Christchurch, Dunedin, then over to Tasmania, up to Sydney, then up to Cairns, and around the corner to Bali, Singapore and Thailand and then to Hong Kong and Shanghai and Kobe, where I got off. I visited eight of our offices during the trip.

I had a penthouse suite for Betsy and myself. I had two outside double-cabins for family and business associates and friends. And I had a single cabin for secretaries. We would work in the mornings.

Do you ever take real vacations, away from a fax machine, telephone and your infamous yellow notepad?

Short ones. [Betsy arrives.]

John had a question that I wanted you to answer. My handwriting was

analyzed. It said that I am, what was it? Diplomatic, defiant, intuitive and cautious.

Betsy Nagelsen: Very much the fourth thing. Intuitive, I'd say. Diplomatic? I wouldn't call you diplomatic, would you?

I don't know.

It's almost the opposite of defiant.

But you can be both.

Betsy: Yes, I have seen you being diplomatic. But defiant and cautious and intuitive, yes, you are those.

John asked another question. Do I ever take a vacation?

Totally away from work.

Betsy: I suppose in 30 years, probably once or twice. I have never noticed you not on the phone. It's hard for Mark to just totally shut down. But he can. Mark is very organized. Anyway, I am sure there is some truth to handwriting. I'd hate to get mine analyzed. Whoa! You can't even read it.

[Betsy leaves.]

Do you still record the exact number of hours you sleep?

Uh-huh. Last night, 93/4.

Some people would call that neurotic behavior.

Yes. I've done it for 20, 25 years. I have it on a calendar upstairs. I am doing OK this year.

Is it neurotic behavior?

No. It started when my mother told me I wasn't sleeping enough. I started keeping a record of it so I could say, "Well, I am sleeping 38 more hours than last year."

Has money made you happy?

It certainly frees your mind of a certain spectrum of concerns. You can't buy happiness with money, but you can eliminate a lot of the causes of unhappiness. If you are hungry, money buys food. If you are unhappy because you are hungry, money eliminates that part of unhappiness.

What do you spend your money on?

I don't have a lot of elaborate things. This house is probably the most elaborate thing I have ever done. It is a really nice home, and I like that.

You've never been tempted to buy seven Ferraris and a Gulfstream?

No. People who buy seven Ferraris have deep psychological problems.

What kind of person would you like your new child to be?

I'd like her to be healthy first of all. And I'd like her to be well rounded, to have good Christian values. I'd like her to be like her mother.

One of your ancestors, the 18th-century Scottish philosopher David Hume, wrote a book called An Enquiry Concerning the Principles of Morals. Do you think the world is less moral now than it was when you were a child?

Probably.

Is it getting worse?

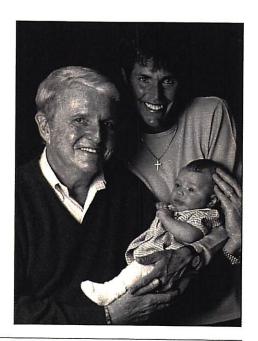
I hope not. I don't know, I think it's

actually reversing itself a little bit and getting back on the right track. It got at its worst in the late '60s and '70s.

Would you rather have won Wimbledon, the Masters or the Nobel Peace Prize? If I didn't say the Nobel Peace Prize, everyone would say, "I knew he was a jerk."

What I usually get asked is "Would you rather have won Wimbledon than to have done what you have done at IMG?" My answer is usually: "If I had won six or seven Wimbledons, maybe." But then again, that is so temporal. You take a Bjorn Borg, he won five of them. He had five days in the sunshine, really. I've had 20 or 30 years there.

> Mark McCormack at home with his wife, Betsy, and their daughter, Maggie.



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