

# BOWLING CENTER MANAGEMENT

## A SHINING STAR IN SAGINAW



**Saginaw, MI:** Stardust Lanes was built in 1964 as a 35,000 sq. ft. 32-lane center by Joe Deisler. Five years later, 20 lanes were added, expanding the building to 50,000 sq. ft. In 1987, Gary Richards (the current owner) purchased it. This was Richards' third bowling center.

**Fast forward 15 years to 2002:** Richards saw that his league bowling was declining. "We were two-shifted with day leagues for many years. Our town had a lot of General Motors workers and the car business was declining. More and more women were now going back to work. I read that others were using bowling as an anchor but adding attractions and services, like Lucky Strike and Don LaBreck's Airway Lanes (located in Kalamazoo, Mich.). I began visiting these centers and made a decision that if we were to survive, we had to change the type of business we were in and cater to a broader market."

**Step 1.** "The first step we took was to start reducing our league play on weekends so we could open up the center for open play bowling. At that time leagues were 90% of our business; now 30%-35% is leagues. Marketing towards open play was the priority."

**Step 2.** "The second step was to attend Foundations University... in fact, I attended it twice! Foundations gives you the insight of the business as a whole. The 1st time I had no idea about games and attractions. For years we just had 10 games on the concourse. Of course, the biggest part of Foundations is the education, but visiting other facilities and seeing what they truly do is an

eye opener. When you walk out of Foundations, you have a solid concept of the family entertainment industry, but if you don't go to Foundations, you are taking the chance of burning money. Anybody can buy attractions and stick them in. It is critical to know if you are a family, children's, adult, or combo facility. You don't initially think about this. What I learned is you can't appeal to everybody. You must have a market study to know what you can succeed at in your particular market."



The remodeled and renovated bar and lounge area was designed by the award winning Dynamic Designs & Associates, Inc. team headed by Howard Ellman ([www.dynamicdesignsinc.net](http://www.dynamicdesignsinc.net)) The colorization patterns and soft lighting effects help make the customers stay longer and spend additional money.

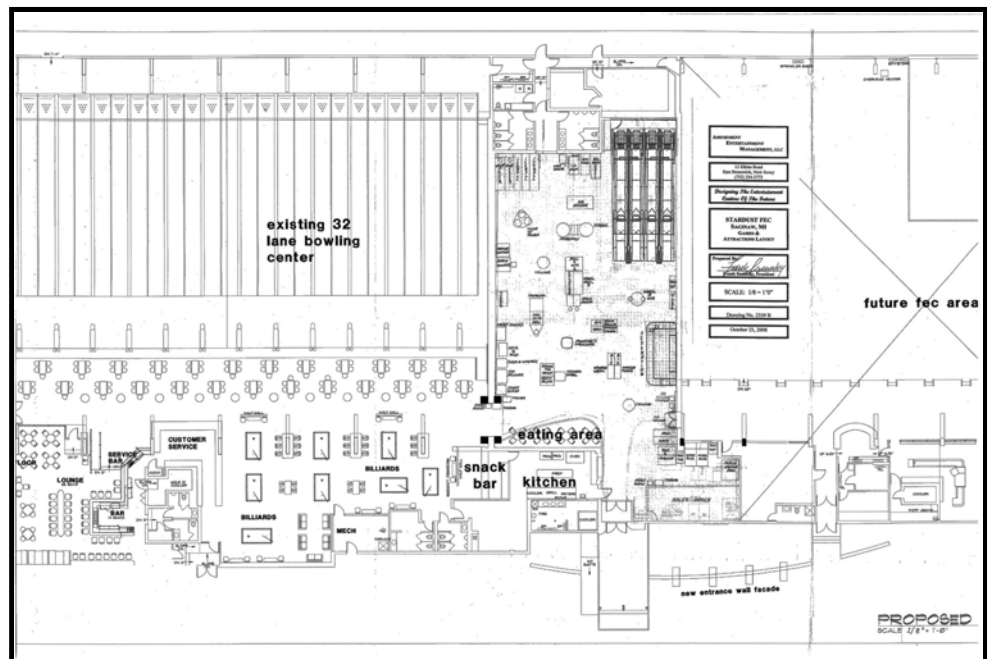
**Step 3.** "We hired Amusement Entertainment Management to do a full feasibility study for the 50,000 sq. ft. that was completed in April 2007. I have always been impressed with Jerry. He always makes you feel like he really cares, and he does. This was prior to the time that we had the banking collapse. We had been in business for 30 years and were still turned down by 8 banks. The course of action we chose (Phase 1) was to get a smaller loan (about \$1 million) and add a game zone (55 games), which has been a huge success for us, with an EMBED debit card system, and

finish up remodeling the bowling center that included new synthetic lanes, re-carpeting, new furniture and fixtures. We also put on a new roof, installed new air conditioners and remodeled the exterior of the building.”

Jerry Merola comments, “Stardust Lanes, under the leadership of Gary Richards, is a perfect example of how bowling industry proprietors can effectively re-launch their businesses with a fresh, new approach. Staged development, similar to what Stardust has employed, allows the proprietor to affordably orchestrate the facility’s transformation, while easing the existing customer base into a new operating format. Gary, along with his son Derek and daughter-in-law, Amy, should be applauded for having both the vision and fortitude to change with the times, and in turn, keep Stardust at the forefront of the Saginaw marketplace”.

**Step 4.** “At the same time we hired AEM, we also hired Howard Ellman of Dynamic Designs (Birmingham, Mich.) as our architect. Howard convinced us to put a suite of 6 private lanes (Lanes 1-6) and take out Lane 7 and put in a permanent separation wall. We went to every small business, hundreds of them in our area, and gave out discount coupons to introduce the VIP suite. This was one of the best things we have done.”

Ellman adds, “The suite just by itself has dramatically increased the bowling business by more than 20%. Stardust will eventually become a full FEC. Now it is a hybrid. Phase II will include the fun center portion and upgrading the bar and when completed [it] will be a fabulous center. Phase II will cover the area that previously had 20 lanes (that space was rented out to another business). Portions of the current right wall will be opened up, the front entrance will be redone so when a customer enters they will see the games straight ahead, the fun center to the right, and the bowling to the left. This was AEM’s concept and we all designed Phase I so that Phase II will be a natural fit.”



The floor plan of Stardust Lanes shows the Phase I concept put together by Gary Richards with the assistance of Dynamic Designs and Amusement Entertainment Management. The games and mini bowling have been laid out so when Phase II is completed, they will be in the middle, with the bowling to the left and the FEC attractions to the right.

**Fast forward to 2011:** Phase 1 was completed 1-1/2 years ago, and Richards has used this period as a learning experience. He is currently working on revamping staff training and customer service and upgrading the website. Richards' approach is solid. "Money is still difficult to get, so Phase II will happen when we are ready. The second round of financing will be much easier or now we can even self-finance. We may have to piecemeal some of it, but in my opinion this is not a bad thing. It took us a year to learn how to use the EMBED system. If we also had a bunch of new attractions, I don't think we would have been able to run as efficiently. Now, if we put in a laser tag [attraction], we will be able to pay a lot of attention to it. We want to only add one or at most two attractions at a time. If you put in three attractions at once, you and your staff will not be able to properly focus on each one as you should. The attractions we are considering are still those from the original feasibility study: laser tag, Ballocity, bumper cars and mini-bowling."

**Final Steps:** "When Phase II is completed, we will be near the feasibility numbers if we are successful at changing our image to that of a family facility. Now we are trading dollars in some areas and also increasing revenues. We also just decided to use Stardust as our umbrella name rather than have different names for the different sections. I am now looking forward to adding more revenues and am glad we are heading in this direction."

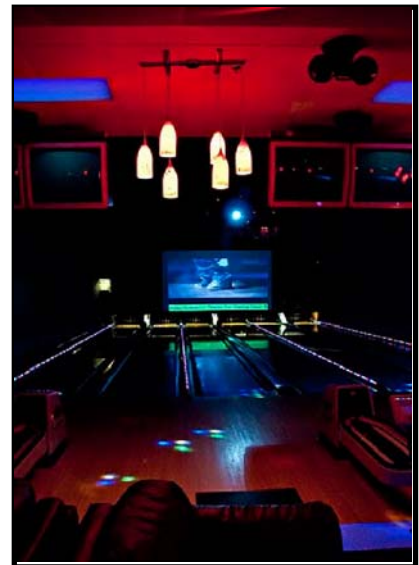
**Gary's Advice:** "Traditional bowling operators are afraid to make a change. Sooner or later, you are going to have to add some profit centers, so there is no need to be afraid of it. Do the research, attend the seminars like Foundations, go to the trade shows, visit the facilities, and you will see something that will make sense to you. You won't know about it until you go. Going to Foundations the 2nd time was way more meaningful. I got it all the second time!"

### Marketing Tips

"We [in the bowling business] only know what we know about bowling. When you get into running a FEC, there is a big difference as you are marketing to new customers.

One of the best things we did was make Amy our full-time marketing person. She handles corporate and party events and did over 500 parties last year. A year ago we also hired an outside marketing company and they have been a huge help to make the transition from a bowling center to a FEC. Derek and Amy have both been to Foundations University, so we are all on the same page. Derek is the General Manager."

**(Pictured Right: Private VIP Lanes have increased bowling business dramatically. Using lane 7 to create a private wall to separate lanes 1-6 as the private VIP suite lanes was the idea of architect, Howard Ellman.)**



Gary Richards was raised in Mt. Clemens, Mich. He graduated from Michigan State University with a degree in finance and business. He went to work for Baskin-Robbins (Ice Cream stores) and quickly became a district manager. He also quickly discovered that the store owners were making more money than he was. Gary decided to buy a Baskin-Robbins store. He soon purchased a 2nd store and then a 3rd and soon owned a number of stores.

The next step could be referred to as destiny. One of Gary's friends was an accountant and did the accounting for a bowling center. Gary learned that the bowling business was quite recession proof and showed a nice bottom line. He decided to sell the ice cream stores and in 1976, 'bought the biggest bowling center I could afford.' Five years later he purchased his 2nd bowling center and Stardust became his 3rd center in 1987. Note that his business and finance background taught Gary about careful planning and his growth phases were five years apart.

Gary has been on the Michigan State Bowling Association board for the past 25 years and served as its president 10 years ago in 2001. This year he was honored by becoming the 5th life member of association. Gary is also a member of MUBIC (Multi-Unit Bowling Information Group) as well as the BPAA. Stardust Lanes has helped local charities raise more than \$100,000.00.

**For more information go to [www.stardustbowling.com](http://www.stardustbowling.com) or call 989-793-6300.**



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**Frank Seninsky** is president of the Alpha-Omega Group of companies, which includes a consulting agency, Amusement Entertainment Management (AEM), two nationwide revenue sharing equipment suppliers, Alpha-Omega Amusements, Inc. and Alpha-BET Entertainment, and Alpha-Omega Sales, a full line game & related equipment distributor. All are headquartered in East Brunswick, New Jersey. During his 44 years in the leisure entertainment industry, Seninsky has presented nearly 400 seminars and penned more than 1500 articles. He has served as President of the Amusement and Music Operators Association (AMOA) from 1990-2000 (on the Board of Directors for 22 years) and as the President of the International Association for the Leisure & Entertainment Industry (IALEI) from 2005-2006 (Founding Member and on the Board of Directors for 11 years).

His columns regularly appear in Tourist Attractions & Parks, RePlay, Vending Times, and Bowling Center Management. Frank is co-regent for Foundations Entertainment University, which presents multiple-day sessions in the US and in growing markets including Russia, Ukraine, Dubai, UK, and potentially Asia, India, and Africa as well. His world famous 'The Redemption & FEC Report' e-newsletter goes out to more than 42,000 readers worldwide. Alpha-Omega Sales is the exclusive US Distributor for all Comfyland Edutainment Center products and the new exclusive distributor for GameALERT. Frank was just appointed to the Advisory Board of the National Association of Family Entertainment Centers.