

2020 Association Report - August

Financial Metrics Based on July 2020 Financial Statements and Membership Report

Topics	Comments	Status
Financial Metrics		
Revenue	Generated \$750K in Revenue, 20K or 2.7% above revised Budget. Stronger than projected Program Sales, driven by registration for Small Boat, Level 1-3 and Reach sales. Also, July was a strong month for Soft Goods and Misc. Sales revenue (Boat sales)	Green
Expense	Savings this month 6.4% or 42K vs new revised budget. Mainly associated with lower S&B (some severance \$ that will come thru in Aug) as well as lower than expected travel spend & lower coaching fees. Less courses than expected held in July	Green
Net	Surplus of \$124K vs budget of \$62K in the month of July. Up \$213K vs a loss of \$89K in July of 2019	Green
Membership & Retention Goal (Revised): Revenue – \$2,099,956 (flat from 2019) Retention – 68% (weighted avg)	40,575 (7/20) vs. 44,368 (7/19) Revenue: <ul style="list-style-type: none"> • For July – (2.2%) decline - \$175,270 (7/20) vs \$179,174 (7/19). • YTD – 0.8% growth - \$1,251,988 ('20 YTD) vs \$1,241,991 ('19 YTD) Retention: 67.5%	Red Green Yellow
Key Priorities Update		
Membership:	<ul style="list-style-type: none"> • Individual – still down but only by .5% from June to July • Youth – improved with Skill Up launch but we're seeing a negative variance due to the JO/Championship past participants that are not renewing • Processed 225 memberships in July due to organizations enrollment in Skill Up. • Contributing – continue to be above from last year July. Focused on recovering any lapsed President's Club members from the women's appeal last year and President's Club members in general. • MVP – still down but Manasquan River has not sent in their youth MVP members to be renewed. Jim Walsh is following up with the club. • Keelboat – starting to turn around. Offshore began sending tests at the end of July and they're the largest provider. • Launched new member benefits with West Marine through the digital membership card. Focusing on campaigns for the Fall surrounding Boat US, org outreach, Skill Up and repacking programs. 	
Program/Product/Service Sales:	<p>Smallboat Instructor and Reach Educator Course promotion continues to be a priority, and we have seen an unexpected uptick in interest throughout August, with the first of the new Reach Online and Level 3 Head Instructor Online courses taking place, and the Level One hybrid online/in-person course continuing to attract new registrants. These courses attracted 9, 10, and 28 registrants respectively over the last month.</p> <p>17 Organizations have been onboarded to the Skill Up platform this summer, with 685 active users (requires US Sailing membership). We are continuing to onboard new organizations this fall, particularly in warmer climates with robust fall and winter lesson schedules. Planning for 2021 is underway and includes a more robust brand package and additional benefits to participating organizations.</p>	

<p>Racing Rules of Sailing:</p>	<p>Race Admin and Education have been busy moving <i>The Racing Rules of Sailing</i> toward completion for release in October. Projects include:</p> <ul style="list-style-type: none"> • Mobile app that includes the RRS, in-app protest form, whiteboard and other features and resources to be added in future updates. All members receive access to the app; non-members may purchase. The team has coordinated weekly with members of the Racing Rules Committee to obtain copy for the rulebook, app developer New Start Mobile, designers, photographers and others. • Printed RRS – complimentary copies to race officials and President’s Club members; available at nominal cost plus S&H to other members who want a paper book • Online digital version available to members • Dave Perry’s <i>Understanding the Racing Rules of Sailing through 2024</i> and <i>Dave Perry’s 100 Best Racing Rules Quizzes</i>. We are also working with Dave to provide print and video content to support other rules products. • <i>The Sailor’s Guide to the Racing Rules</i> by Dave Dellenbaugh. Revised for 2021-2024 with potential for animations and video content in future updates. • Supporting rules products, including the Rules in Brief card, Race Signals sticker, Protest Procedures card and <i>Join the Race Committee Team</i>.
<p>MarCom:</p>	<ul style="list-style-type: none"> • 24 Email campaigns (thru Aug 26) of news, core product promotions, stories, US Sailing Store, Membership, targeted communications, and e-Newsletters • 991 new Social Media followers on US Sailing and US Sailing Team Facebook, Instagram and Twitter • 18 videos created and distributed including 2 Siebel Sailors videos, Women’s Equality Day Series, and 8 Starboard Portal Sessions • Working to renew sponsorship dialogue for 2021 with 7+ partnership discussions ongoing within commercial and strategic opportunities. <ul style="list-style-type: none"> ○ Additionally, working to build partnerships with organizations that can provide new/unique member benefits - Boat US, Zhik, North Sails, Quantum ○ Developed membership ad for Boat US newsletter • Optimized MKT operations to provide departments’ direct sales and marketing support in order to help achieve sales and revenue objectives. • Meet the Team social campaign for USST, continuing through September. • Working with Stu on expansion of DEI Town-Hall Panels – Planned Starboard Portal Sessions through 2020 <ul style="list-style-type: none"> ○ LGBTQ – Sept ○ Gender – Oct ○ Disabled – Nov • Supporting Foundation for Year End Appeal “Together We” targeted donor communications in the key areas of Olympics, Youth and Sailing Community • MarCom developing national brand concept for OCR series with aim of having creative concepts in Sept.
<p>Fundraising:</p>	<ul style="list-style-type: none"> • USSF Board meeting held 8/11/20. 3 new Board members added, new bylaws approved and new officers in place. • Chief Development Officer search narrowed down to 2 final candidates. • Year End Appeal planning in progress with internal small team in place to create messaging and content. Database additions for improved segmenting complete. • Continuing the existing Olympic stewardship communications plan with assistance from MarCom. • Improvements to the fundraising database for greater reporting functions are ongoing
<p>USST & ODP:</p>	<p>August continues to be a strong training month for our athletes. Paige Railey is back on the water with Coach Steve Mitchell, and training with 2 ODP athletes for a 3 Radial squad. The Nacra group is experimenting with data analytics and sensors and Sally is leading a team of 3-5 boats on the water 5 days a week. Our 49er squad shifted training from Santa Cruz to the Gorge in Oregon. We have some great footage from our intern which we will share soon. Stu, Dave, and the Cowles twins are still in MA, and our other 470W teams are in Miami and France. Luke in the Finn is training in Oyster Bay, NY. Our</p>

RS:X sailors are training separately, in Spain and France. We still have our 5 athletes in ITA including nominated Olympians Steph, Maggie and Charlie. They are looking at other events in Europe, however keeping a close eye on the ever changing COVID numbers and border closures.

The management team is deep in planning with the 2021 High Performance Plan pitch due to the USOPC September 1. This pitch document will evolve into our Operations Plan when we have line of sight on financial support for 2021. Before we have the final plan, the BOD will review all details. For the first time, we had extensive athlete feedback regarding USOPC resources. Throughout August, we presented previous USOPC/US Sailing financials to the athletes, which set the groundwork for the 2021 plan. The follow up webinar with 2021 details gave the opportunity for athletes to voice their opinions. They also submitted surveys and had follow up conversations with team management. This athlete feedback has been taken into account and included in the HPP.

ODP is deep in planning mode for the upcoming fall/winter, paying close attention to both CDC and individual state guidelines (which supersede CDC) during the planning process

CEO Summary – Jack Gierhart

This summer, we are seeing sailing happening in creative ways, allowing us to enjoy other parts of sailing that we often overlook, just messing about in boats, getting out on the water with no real agenda. Events have been smaller and low key, but the energy and thrill of competition always remain. Sailing simpler and staying local has reminded us of our reasons for loving this sport.

We are performing solidly against our revised budget. With ongoing promotions and the rollout of Level 3 Head Instructor Course we are seeing registrations improving. While July is typically a strong month for membership, we continue to see membership numbers decline with the cancellation of events and classes. In July, we ran 13 lapsed member campaigns targeted to different segments to recapture lost members. These efforts were not as successful as June and we believe we oversaturated expiring members' emails with too many offers. Youth membership improved slightly with Skill Up expansion, but the negative variance is due to the JO/Championship past participants not renewing. The Virtual Junior Olympic Festival saw over 100 memberships purchased but only 37 of these were contributed to youth members. We continue to see a strong renewal of Contributing members with a return of 3.8% above July of last year. Family membership is still tracking on a downward trend and we are examining whether this is associated with youth event-based attrition. Our membership team is focused on new acquisitions and continued efforts to regain lapsed members. We plan to work in tandem with each department to execute three membership campaigns each month with a corresponding department owner through the end of the year.

A few additional updates:

- Due to ongoing circumstances caused by COVID19, US Sailing and the Bristol Yacht Club decided not to hold the 2020 U.S. Team Racing Championship. BYC has graciously agreed to host the 2021 U.S. Team Racing Championship for the George R. Hinman Trophy next summer or fall. The 2020 Championship of Champions event scheduled for October 8-11 at Balboa Yacht Club is still moving forward as planned. A huge thank you to the Club, CofC Committee and event volunteers for diligent planning to follow state and local safety and health protocols to ensure this will be a great event for all competitors.
- We held a productive call with ISSA and ICSA to discuss US Sailing, High School and College sailing. College sailing is very concerned about the schools that are eliminating sailing as a varsity sport and we are writing a joint letter highlighting the benefits of college sailing. Additionally, we will be working closely around coach development, bridging the gap for youth/high school sailors who do not go on to college sailing and US Sailing supporting college sailing as a pathway to the Olympics.
- Foundation: A strategic workshop for the Foundation was held by in July to help bring alignment and insight on key priorities. Recommendations and next steps were provided to help embrace and build out the 10-year vision for the endowment focusing on Olympics, Youth and the Sailing Community. Foundation Chair, Bill Ruh, held a Foundation board meeting on Aug 11th where new bylaws were passed, and the Board welcomed three new board members: Brian Keane, Linda Lindquist and Tom Whidden. The Chief Development Officer search has been narrowed

down to 2 final candidates. The caliber of candidates has been extremely impressive, and we are excited by the potential they could bring to our organization.

- [One-Design Central](#): A new landing page focused entirely on One-Design launched at the end of July. The creation and content of these pages was from feedback from the One-Design working parties led by the Adult Department. They are currently working on the next iteration adding a fleet geolocator and getting fleet data. The next issue of the One-Design Line newsletter will be deployed on Sept 1st.
- Strategic Implementation Planning: Team leaders have formed their working groups and are beginning to work on a phased approach to planning and documenting what strategic priorities we will be initiated over the next 18 months. This will eventually lead to the budgeting process for 2021. Concurrently, we are commencing a program review of certain areas where we have identified the need to reevaluate our role and purpose.

Earlier this month, we made the very difficult decision to layoff five full-time employees and transition a sixth to a part-time role due to on-going challenging and uncertain economic climate. We thank every one of these staff members from their service, passion and positive contributions to US Sailing and the sport. This very difficult decision to reduce staff is intended to provide us the financial stability we need to move forward and serve the sailing community successfully. We wish them well on their next endeavor and know they will land successfully.

We are extremely grateful to our members who continue to demonstrate their loyalty and unwavering support. Thank you to the Board and volunteers for your continued support and dedication during these trying times. I am also extremely grateful to the staff who remained focused on our key priorities and show incredible dedications and perseverance. We will continue to look ahead and focus on how we can provide service across the board to all members and constituents.

Best,

Jack Gierhart