Memo

To: 2017 USA Swimming House of Delegates

From: Pat Hogan, USA Swimming Club Development Managing Director

RE: NEW MEMBERSHIP CATEGORY RECOMMENDATIONS

Date: August 28, 2017

At the 2017 USAS Convention in Dallas, the House of Delegates will have the opportunity to vote for two new categories of membership in USA Swimming: A Junior Coach membership and a new category of individual membership called Flex. This memo provides the background and rationale for creating both categories and outlines the key details for each. The Board of Directors approved both categories at their April 2017 meeting and encourages you to support these measures.

Background

Since January, 2016, the USA Swimming Board of Directors has participated in four separate discussions about membership trends. These discussions have focused on a few trends that are somewhat concerning. Despite overall membership growth of 4.2% since 2013, we have seen the following:

- An average decline of 7.5% in the number of new members from 2014 through 2016
- A 9.2% decrease in the number of 10 & under year-round swimmers since 2013
- The loss of 10,000 seasonal athlete members since 2009
- Alternative organizations offering lower-cost membership options with competitive insurance programs

Following the initial discussion, the Board directed staff to analyze potential modifications to membership categories as part of developing the 2020 business plan.

At the Board meeting on April 30, 2016, staff provided an update on membership category concepts. Based in part on research developed in the Sports & Fitness Industry Association’s 2014 State of the Competitive & Fitness Swimming Industry Report, the membership review effort had identified three key objectives:

- Make swimming more attractive to entry-level children & families
- Adapt membership categories to the evolving youth sports market
- Create sustainable, long-term revenue for teams and the sport

Input provided by the Age Group Development Committee, the Club Development Committee, and the Registration/Membership Committee as well as internal staff discussions influenced the decision to recommend that USA Swimming explore development of new membership options.

At the September 20, 2016 Board Meeting, staff brought forward two recommendations for the Board to consider:

1) A revised Seasonal Membership category that would provide a lower cost, partial-year membership option.
2) A new membership category called Pre-Team that offered a “get-them-in-the-door” strategy and a high quality initial experience in the sport.

The Board voted not to support either new category based in large part about concerns that both categories would likely cannibalize some year-round athlete members and it was difficult to estimate that financial impact. The Board did ask staff to continue working on the project and evaluate possible new membership categories for consideration.

Based on those ongoing efforts, this memo will present and recommend two new membership categories. However, I want to provide an update regarding membership trends. 2017 numbers indicate that we face similar concerns as first indicated by 2014 – 2016 numbers. We continue to see two trends that are worrisome.

First, the number of new members continues to draw attention. Through July of the 2017 Olympic-bump year, we have attracted 104,758 new members. That is a very positive 15.2% increase compared to 2016. However, at that same point in 2013, we had registered 115,528 new members. Although not final, that is a drop of 10,770 new swimmers from one Olympic bump year to the next.

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<tr>
<td>Yr.-Round Athletes 339,811   +13.2%</td>
<td>Yr.-Round Athletes 354,036 +4.2%</td>
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<tr>
<td>New Members 115,528</td>
<td>New Members 104,758  -9.3%</td>
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<td>Renewals 224,283</td>
<td>Renewals 249,278  +11.1%</td>
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Positive: 354,036 is all-time high athlete membership #
Concern: 10,770 fewer new athlete members than 2013

There is another statistical trend that is important to be aware of when analyzing 12 & under membership trends … the number of year-round members who do not swim in sanctioned meets. We have previously noted that alternative organizations have created lower-cost membership options for age group swimmers. We face the risk of these organizations attracting 12 & under members that do not swim in sanctioned meets.

Since 2012, an average of 28,209 swimmers age 12 & Under have not competed in a sanctioned meet each year. This figure represents 15.1% of our 12 & Under Year-round members. The overall percentage of year-round athletes (all ages) that did not compete in swim meets over the past 5 years is 10.8%.

In view of these numbers, the objective of making USA Swimming membership more attractive to entry-level children & families becomes increasingly important. The following two proposals are being presented with this objective in mind.
1st Proposal: Flex Membership

The proposed USA Swimming Flex Membership is a membership option that will help teams offer creative and family-friendly entry-level programs. These bridge programs will provide young swimmers multiple stepping stones to year-round membership. In many cases, USA Swimming clubs already offer these programs but not through USA Swimming and our insurance benefits. We encourage teams to take advantage of bridge programs to grow membership, but we have not provided a membership category that helps teams target new members. The Flex Membership is designed to be that category.

Key Details:

1) The Flex membership, like the year-round athlete membership, is for a calendar year period. Also like the year-round membership, individuals applying for Flex membership on or after September 1 of the current year, will receive membership through December 31 of the following year.

2) Depending on the program(s)a team offers, Flex members could progress from swim lessons, to pre-team, then transition to year-round swimming all within the same year.

3) The Flex membership would be available to individuals age 18 and under. The expectation is that these programs will primarily serve 12 & Under individuals.

4) This category could fill the current void between swim lessons and swim team for 5-7 year-old swimmers. Other youth sports provide participation options for this age range.

5) A key benefit provided by the Flex membership is that swimmers who move to the year-round athlete membership category within the same membership year, will be able to credit the cost of the Flex membership toward the cost of their year-round membership.

6) Another key feature of the membership is the ability to participate in two (2) USA Swimming sanctioned or approved meets per membership year. This benefit would be limited to participation in meets below the LSC Championship level.

7) Other benefits include liability and accident insurance and access to USA Swimming resources.

8) The proposed Flex fee is $20 with $15 going to USA Swimming and $5 going to the LSC.

Approved Bridge Program Possibilities for the Flex Membership:

The following list of insurance-approved activities outlines the various ways that teams could choose to utilize the Flex membership category.

1) Learn-to-Swim
   • Offer a simple Learn-to-Swim program to supplement competitive team offerings
   • Designed to make it easy and inexpensive for small clubs to offer a Learn to Swim program
   • There must be a certified lifeguard on duty (can be an instructor)
   • The student-to-instructor ratio is recommended to be 6 students to one instructor
   • Instructors must be a Non-Athlete member of USA Swimming with lifeguard certification or be a Coach or Junior Coach member of USA Swimming

2) Pre-Team / Pre-Competitive
   • Provide a pre-competitive program that bridges the gap between swimming lessons and year-round swimming
• A fun and fundamentals focused program that can be delivered in a variety of ways and at different times throughout the year (see example later in this document)
• This pre-team concept is already utilized by many USA Swimming teams
• Coaches directing Pre-Team programs must be Coach or Junior Coach members of USA Swimming

3) Summer League
• Provide an opportunity for a USA Swimming team to offer a summer league program or even develop a small league for summer only swimmers
• Coaches directing summer league programs must be Coach or Junior Coach members of USA Swimming

4) Fitness
• Teams can offer a fitness swimming program mixed with stroke instruction
• Can serve as a pre-season program for High School or summer league, or as a cross-training opportunity for other sports
• Can include core strength and dryland training
• Coaches must be Coach or Junior Coach members of USA Swimming.

5) Triathlon (swim training only)
• Will allow clubs to offer a swim training component for Triathletes
• Coaches must be Coach or Junior Coach members of USA Swimming

6) Stroke Clinics and Day Camps
• Will allow clubs to provide a pre-season prep program for High School and/or Summer League swimmers
• Could be a program offered to summer league teams during the summer season
• Coaches directing clinic or camp programs must be Coach or Junior Coach members of USA Swimming

7) Home School Swimming Program
• Will allow teams to provide a competitive swimming program that serves home school students and their families
• Program can serve as physical education credit for home school students
• Home School programs typically utilize non-prime time pool hours
• Coaches directing Home School programs must be Coach or Junior Coach members

Potential Issues:

1) The Flex membership could significantly cannibalize current year-round members who find the new category better suited to their participation level. Financial projections estimate that a total of 39,100 current year-round athletes (40% of 8 & Unders, 25% of 9-10s, and 10% of 11-12s) might possibly choose to transition to the new category.

2) Projections also indicate a significant revenue loss the first two years but a recovery begins in the 3rd year that shows improved revenues and positive membership growth.

3) Significant programming changes in SWIMS will be necessary to add the new category and effect changes like a credit of Flex fees towards the annual membership fee.
Next Steps:

1) Secure the approval of the House of Delegates to implement the Flex membership.
2) Establish a target date of September 1, 2018 to implement the Flex membership. After further study, the initial recommendation to the Board of April 1 appears too aggressive.
3) Once the proposal is approved, appoint a staff implementation team to plan for the addition of this membership category.
4) Work with the IT department to do the programming necessary to accommodate the proposed changes in the SWIMS database.

2nd Proposal: Junior Coach Membership

When USA Swimming established age 18 as the minimum age to be a coach member, teams that utilized 16- and 17-year old swimmers as coaches lost a key source of assistant coaches. There are less populated areas of the country where senior athletes are often the best candidates to serve as assistant coaches. This recommendation proposes the creation of a Junior Coach Membership category.

Key Details:

1) The Junior Coach category would be for young people ages 16 and 17. Ideally, these individuals would be current or former competitive swimmers and have learn-to-swim teaching experience.
2) Junior Coaches would be expected to meet all the requirements of being a coach member except the background check requirement. Background checks for individuals age 17 & under are sealed documents. For the Junior Coach category, we would forego the background check requirement but insist on thorough pre-employment screening to include personal and school references.
3) Once registered as a Junior Coach member, Junior Coaches would be authorized to assist on deck at practice and swim meets with the provision that they must always be under the direct visual supervision of a registered member coach age 18 & over. Junior coaches would not be authorized to work with a group of athletes without a member coach present and supervising the swimming practice.
4) At their 18th birthday, a Junior Coach would have 30 days to complete the USA Swimming background check requirement to continue coaching.
5) The registration fee will be the regular non-athlete fee. Currently, an athlete member who also registers as a coach or non-athlete member must pay the USA Swimming registration fee twice. As part of this proposal, we recommend eliminating the dual payment policy.

Next Steps:

1) Secure the approval of the House of Delegates to implement the Junior Coach category.
2) Establish a target date of September 1, 2018 to implement the Junior Coach membership. The initial recommendation of April 1 now appears too aggressive.
3) Once the proposal is approved, appoint a staff implementation team to plan for the addition of this membership category.
4) Work with the IT department to do the programming necessary to accommodate the proposed changes in the SWIMS database.
5) Rewrite the current registration policy that requires an individual who registers both as an athlete and as a non-athlete member to pay two registration fees. The new policy would
require only one registration fee for dual membership as an athlete and non-athlete member.

**Concluding Comments**

In 2013, the year following the London Olympic Games, USA Swimming enjoyed a record 13% increase in membership. Year-round athlete participation climbed to over 340,000 swimmers. Since that time, membership numbers have declined slightly each year. This trend could simply be a correction following a record year, but the underlying factors indicate that something more fundamental is taking place.

We will enjoy a 5.5% increase in year-round athlete members in 2017 for a total of 355,000 athlete members. Although both numbers are less than projected, the overall number of athletes significantly exceeds our previous high of 340,500.

However, we achieved the new record despite experiencing a 10% drop in new members in 2017 compared to 2013. It will be difficult to significantly grow the sport and the organization with a declining pool of new members especially in an Olympic bump year.

It is important to note that the proposed membership categories are optional. Just as they do not currently have to offer seasonal memberships, teams will not be required to offer the Junior Coach or Flex memberships. Also, the existing membership categories will remain in place.

The proposed Junior Coach membership will not directly impact membership growth. It will, however, help teams in certain areas expand staff and serve more athletes. It may also help teams create and staff Flex programs.

The proposed Flex membership would be the most significant membership addition since the inception of USA Swimming. The proposal is not without financial risk, but it does provide a way for more teams to engage young swimmers in a family-friendly way that will grow the sport. It will require different thinking and a different approach to structuring club programs for entry level swimmers. USA Swimming will need to provide significant education and support. This is an opportunity to engage new members that we cannot afford to miss.

After two years of discussion, the Board of Directors approved these membership proposals this past April. We respectfully request that the House of Delegates vote to support both new membership categories at the Convention in Dallas.

See Flex examples on pgs. 7-9
Flex Membership Example: Pre-team Program

Team: Dolphin Aquatics
Size: 120 members  
Goal: Use the Flex membership to create a pre-competitive program to attract new swimmers to the team

Background:
- Dolphin Aquatics has a Bronze team that is the current entry level to the team.
- It serves relatively inexperienced 12&U team members.
- Practices offered are five 1-hour sessions per week.
- Minimum attendance requirement: 3
- This group currently has 24 members (down from 30 last year) and averages 17 per practice.
- This group utilizes 4 lanes of an 8-lane pool, 4-5pm, Monday through Friday

Solution:
The coaching staff believes that the team needs a more attractive introduction to the sport for young swimmers. They decide to create a “Junior” program that offers two practices per week for 1 hour on Tuesday and Friday afternoons. The Junior program will use the same 4 lanes that the Bronze team currently uses.

To accommodate the Junior team program, the Bronze team will now attend practices from 4-5:30pm on Monday, Tuesday and Thursday. With this schedule, they will get 4 hours and 30 minutes of water time per week; a little more pool time than if they had been coming to practice 4x per week. An added benefit of the new schedule is the ability to participate in other activities on the two days per week that the Bronze team does not have practice. On this schedule, the coaches expect practice attendance to improve and the larger numbers to produce a higher energy level in practice.

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<th>Monday</th>
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<tr>
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Junior Team Program:
The Junior team program will run 4x per year in 8-week sessions with 2 practices per week. The purpose of the group would be to introduce young swimmers and their parents to the sport with a curriculum that focuses on fun and fundamentals. Because of the flexibility it would provide, the coaching staff also considered a once per week schedule which would have generated significantly more revenue, but decided the twice a week program was a better fit for their overall structure.

The coaching staff believes that the 8-week sessions will be very attractive and easy to sell to prospective members. Particularly for parents of children participating in other activities. A 2-day per week commitment is easy to work into a family’s schedule. They believe the Junior team will be a great feeder program for the Bronze team and reverse the trend of fewer Bronze members.

In addition to being a great way to build membership, the Junior team will:
- Produce new revenue for the team. Swimming mostly 25 & 50 yards at a time, the Junior team can accommodate 8-10 swimmers per lane and up to 40 swimmers per practice.
The cost per 8-week session is $85. If each session of Junior team attracts 35 swimmers, the Junior program will generate revenue of $11,900 per year utilizing water time and coaches that team already has available.

Benefits of the Flex Membership
The coaching staff understands that at $20 per year, the USA swimming’s new Flex membership program offers an inexpensive introduction to the sport. They also like the fact that if a Junior team swimmer wanted to advance to the Bronze group, their Flex fee of $20 will be credited to the cost of year-round athlete membership.

The Flex membership also permits swimmers to swim in two USA Swimming sanctioned meets per year. The coaching staff plans on running a non-sanctioned mini-meet at the conclusion of every 8-week session. Upon encouragement from the coaching staff, if a swimmer from the Junior Team program decides that they want to participate in a USA Swimming sanctioned meet they can then easily try it to see how they like it without becoming a year-round member.

The coaching staff is excited about the opportunity to use the Flex membership to expand the overall Dolphin program. With today’s parents looking for flexible schedules that allow young children to participate in multiple activities, the Flex membership allows them to create a pre-team level that is an attractive stepping stone into the Dolphin year-round competitive program.
Flex Membership Example: Stroke Clinic Program

Team: Midwest Racers

Size: 185 swimmers

Goal: Use the Flex Membership to create a stroke clinic program to serve area summer league swimmers and attract new members to the team

Background
- The team is in an area with several summer league teams that are a source of new members for the Racer program.
- Every Spring requests to join the team increase as summer league swimmers begin preparing for the summer league season.
- Due to not being able to mix USA Swimming members and non-members in the same practice, the team could not accommodate this request.
- The Races use an 8-lane high school pool that is not available from 3:30 – 5:00pm during the Fall & Winter high school swimming seasons.
- That 3:30 – 5:00 slot is available to the club team during the Spring months.

Solution
Using the Flex membership option, the Racer coaching staff believes that they could offer a six-week stroke clinic program in April and early May as a pre-summer prep program for summer league swimmers.

Stroke Clinic Program
The team could use that 90-minute slot to conduct two 45-minute clinic sessions on Monday & Wednesday and two more sessions on Tuesday & Thursday. Each of the four sessions could serve up to 48 swimmers – 6 swimmers per lane in 8 lanes. Swimmers would come 2 x per week over six weeks for a total of 12 practices Charging a fee of $70 per session, the team could generate $13,400 in new revenue.

Benefits of the Flex Membership
More important than the potential revenue, the stroke clinic program would be a great way to introduce many potential new members to the Racers program. During the six-week clinic program, the team has a great opportunity to make a positive impression and demonstrate the experience and professionalism of the Racer staff.

The coaches understand that, at $20 per year, the USA swimming’s new Flex membership offers an inexpensive introduction to the Racers program. They also like the fact that Stroke Clinic participants could would receive a $20 credit towards the cost of year-round membership in USA Swimming, should they choose to join the Racers team following the summer season.