

2017 Objectives - October

Financial Metrics Based on September 2017 Financial Statements and Membership Report

Goal	YTD/Status
Financial Metrics – by 12/31/17	
2017 Surplus: \$25,519 without Olympics	\$718,875 vs. budget \$319,236
\$1,332,765 deficit with Olympics	\$8,955 vs. budget (\$1,581,087)
Membership: 47,000	45,857 (9/27/2016) vs. 45,125 (9/27/17) -1.7% decrease
Development (budget): \$2,466,500 – Foundation and ancillary contributions to US Sailing	
US Sailing General - \$690,000	USSA & USSF - \$1,028,740 cash & pledges
Olympic Medalist - \$1,766,500	Olympic Program - \$981,450 cash & pledges
Strategic Programs - Status	
Youth	
Design and launch Sailor Development Framework	Framework designed. Skill sets are well-defined at each Student Level to support long-term sailor development. Initial educational products and marketing/communications push will roll out in early 2018, focusing on Level 1 student. Subsequent materials and support of higher level students will be developed and rolled out in a multi-year program.
Develop recreational pathway	Recreational pathway is defined in the athlete development framework, including recreational dinghy and keelboat.
Adult	
Promote US Sailing Education brand and implement proactive marketing to grow core programs	The six Adult Department programs (SAS, Keelboat, Powerboat, Adaptive, Championships, First Sail) have been undergoing review and have taken time to fully understand. The programs that had highest income potential were given priority for marketing efforts. Plans were developed and implemented for Safety at Sea and Keelboat. US Powerboating is next in line to receive attention as far as marketing. Positive reception by boat show attendees showing interest in Hands-On powerboat education is high, and therefore warrants a marketing plan.

Launch and grow Safety at Sea 2.0	SAS Online (10 Chapter Course) is in the final steps of editing and review before going to FAE for upload and testing in the November time frame. Course will be ready for public consumption as of January 1, 2018.
Activate First Sail	Fall advertising through social media and Scuttlebutt has resulted in an uptick in First Sail locations. We have just crossed the 150 milestone and hope to have more locations signed up by EOY. Outreach and advertising has direct impact on increasing locations.
Competitive Services & Support	
Complete UCS (Universal Certificate System)	ORC and ORR certificates are now exclusively processed via the UCS. IRC integration is underway with completion targeted on or before December 31 st .
Develop and launch new RM education offering	National Faculty will do the heavy lifting this month on the RC 201 project. Additionally, we are taking up the Power Boat Mark Set course and reviewing the scope and sequence of all RA courses.
Olympics	
Initiate a transformation of our Olympic Program	<u>Performance</u> : New initiatives are underway and progressing well. More funding is needed to keep the system building process in motion. <u>Business</u> : Establishing an Olympic Resource Bank is underway with a focus on providing needed fundraising, facilities and filling gaps in order to build a system for the professionalized sport.
Marketing and Communications	
Improve member satisfaction – 20% increase in value, satisfaction and understanding	Working the plan to improve the net promoter score longitudinal survey
Implement Effective Communication Capability – broaden distribution, increase awareness	Continuing to broaden the distribution and innovating our communications including more live streaming
Administration	
Complete move to RWU	Move completed in one day and under budget with no disruption in service to our members.
Improve processes and efficiencies	By the end of October the Fulfillment Department will be fully staffed and focused on cross-training and improving operations.

Association Report – September 2017

CEO Summary – Jack Gierhart

During September, we were focused on the office move; prior to the 15th on preparation, and after the 15th, settling in to the new space and adjusting to the new environment. The entire staff did an excellent job, not missing a beat and from what I can tell, there was no disruption to our services and support. We have had an excellent team planning and executing the entire project over the past 12 months: Martha, Robin, Lee, Lauren, Brad, Tim, Donna and Mike, with tremendous support from the entire staff. While there are a few things we are working through – lighting, sound - the new environment is working really well and looks great. We look forward to welcoming the Board and other volunteers next week for meetings and the ribbon cutting on October 19 that will include Paul Cayard and Gary Jobson.

The team has put together an extensive report this month that will provide you a great snapshot of the current state of affairs, as well as an update on where we are headed. Our presentations during the board meeting will touch on a couple of the highlights, and focus on plans for 2018. Below are a few updates from me.

Storms/Hurricanes. The month of September brought incredible destruction to many sailing areas. While Texas and Florida appeared to have escaped the worst, Puerto Rico and the Caribbean Islands were not so lucky. The full extent of the damage has yet to be realized. Our thoughts and prayers go out to our fellow sailors, clubs and organizations, and citizens of the impacted areas. There has been a great deal of support and effort organized to help in the recovery effort. US Sailing is standing by to offer assistance where we can, and have set up a resources page to direct support from our community. If you have additional suggestions, please let us know. <http://www.ussailing.org/stormresources/>

Membership. You will see from our numbers, membership continues to lag budget and our levels last year. The key areas are youth and keelboat. We see youth being down due to lower numbers at JO events and fewer events, and the keelboat schools have ben processing few students so far this year. We continue to analyze that program and we have ongoing campaigns for the 4th quarter to stem the decline. We will also be putting a good deal of planning into the campaigns for 2018.

Strategic Plan. We look forward to presenting the results of the last five months of work this coming week. As you recall, we developed a framework and list of 10+ strategies during a two-day offsite with the 20 member working group. We then compiled that information, plus the research that went into the strategy development, and shared it with 160 internal and external stakeholders via a conference call/Webex and survey. 57% of the pool responded, and were very pleased to be involved. We have

now taken those responses, analyzed the input, and revised/consolidated the original framework. We will be sharing this with the Board on the 19th to refine and finalize the core strategies. Our goal is to share the final framework with the larger stakeholder group, and then use the road map for our 2018 planning and budget.

Budget. We are just launching the budget process. We expect the first round to be due by November 9, and ready for review by November 15. Second round will be complete by November 20, reviewed on the 27th. We will provide a final draft to the Budget Committee on December 4, and to then to the Board by December 12th for a vote during the December 18 Board call. We will be providing updates, planning and assumption documents along the way.

SAP. Over the past month we have been in regular communications with SAP regarding the extension of our partnership, which ends 12/31/17. We have had very productive discussion on the next phase, and identified projects that support the current UCS and extend into new areas that we believe will have a very positive impact on the sport and our members, as well as directly address SAP's goals. I met with SAP during the 505 Worlds in Annapolis, and they are excited about our accomplishments to date and what the future holds.

USOC Assembly. I just returned from two days in Colorado Springs at the Annual Olympic Assembly. Major topics discussed in the NGB Council and USOC staff included youth development, overall downward trends in participation across all sport, SafeSport and Diversity. There was a full day of breakout sessions that focused on the American Development Model and strategic planning among other topics. While we have our challenges, I felt really good leaving the assembly with the understanding that we are on the right track in many key areas, that we are not alone in the headwinds we are facing, and the NGB Council and USOC will be continuing to strengthen collaboration and tackle the challenges together. There was real excitement about LA2028 and the opportunities over the next 11 years to build sport across the country. I was asked to sit on an executive committee of the NGB Council, and accepted. Alan Ashley presented his proposed resource allocation to the USOC Board, and we should be hearing from our performance team next week on our 2018 funding.

Staff. We have had a few changes to staff over the past month. As Lauren reports below, Julia Johnstone, after many years at US Sailing is taking on a new position and challenge. Jeff Kerins, after nine years at US Sailing, is also leaving to pursue other opportunities. We thank them both for their contributions to US Sailing and wish them all the luck in the future. We have filled Julia's role with Brady Hayden, a recent Roger Williams University. Rachel Reagan will be joining us later this month to take on the fulfilment role that has been vacant since Anila left this past summer to start her family. We are in the interview process for the Youth Recreation Manager (formerly Windy's role) and have some strong candidates in the mix. We are excited to be filling these openings, welcoming new members to the team, and getting fully staffed.

We are looking forward to welcoming the US Sailing and the US Sailing Foundation Boards to the office next week, and to the Office Ribbon Cutting. It has been a very busy year, with an incredible amount of hard work by our staff and volunteers. We are all looking forward to an opportunity over the next two months to reflect on our progress, study our strategic plan, and develop a focused approach to 2018 and beyond where we can truly maximize Customer Connect, address our challenges, take advantage of our opportunities, and work to build momentum for the sport. Thank you to our great staff for their perseverance during this year of change, and to the ongoing support, contributions and passion from our Board members and volunteers. It is a honor to work with you all.

Cheers,

Jack and the US Sailing Staff

[The Quarterdeck](#)

[Youth Racing News](#)

Department Updates - September 2017

Finance – Donna Kane

Overall there is an \$8,955 surplus at the end of September against a budgeted deficit of \$1,581,087 for a positive variance of \$1,590,042. Revenue is a head of budget by \$1,320,265 and expenses are \$269,777 under budget. We are behind of the prior year by \$1,194,308 because of a \$550,000 pledge that was recognized in 2016; without that pledge, we are \$355,692 ahead of the prior year.

US Sailing Association September 2017	All Association Departments							No Olympic Department		
	Current YTD vs Budget				Current YTD vs Prior YTD			Current YTD vs Budget		
	YTD Actual	YTD Budget	YTD Budget Variance	Total Budget	YTD Actual	Prior YTD Actual	YTD Variance	YTD Actual	YTD Budget	Total Budget
Revenue										
Membership	1,536,769	1,739,606	(202,837)	2,102,567	1,536,769	1,500,616	36,153	1,536,769	1,739,606	2,102,567
Public Support	955,901	294,304	661,597	1,827,000	955,901	1,328,152	(372,251)	362,551	236,896	277,000
Sponsorship	1,179,368	1,109,500	69,868	1,335,750	1,179,368	1,555,462	(376,094)	938,721	990,250	1,207,750
Program Revenue	1,760,824	1,599,160	161,664	1,766,529	1,760,824	1,773,108	(12,284)	1,618,091	1,499,591	1,633,770
USOC	613,264	849,105	(235,841)	862,673	613,264	792,300	(179,036)	306,257	74,625	99,500
Investment	306,257	74,625	231,632	99,500	306,257	202,085	104,172			
Grants	571,645	25,000	546,645	66,381	571,645	200,810	370,835	321,645	10,000	51,381

Sales	559,888	512,447	47,441	657,618	559,888	497,689	62,199	558,342	512,447	657,618
Misc. Income	170,417	130,321	40,096	173,761	170,417	12,934	157,483	155,861	130,321	173,761
Total Revenue	7,654,333	6,334,068	1,320,265	8,891,779	7,654,333	7,863,156	(208,823)	5,798,236	5,193,736	6,203,346
Expenses										
Salaries & Benefits	3,149,914	3,097,889	(52,025)	4,053,263	3,149,914	2,782,428	(367,486)	2,362,134	2,191,314	2,848,818
Operating Expenses	4,250,819	4,612,530	361,711	5,904,428	4,250,819	4,751,018	500,199	2,472,617	2,478,450	3,062,157
Cost of Goods Sold	244,645	204,736	(39,909)	266,852	244,645	126,447	(118,198)	244,610	204,736	266,852
Total Expenses	7,645,378	7,915,155	269,777	10,224,543	7,645,378	7,659,893	14,515	5,079,361	4,874,500	6,177,828
Surplus/Deficit	8,955	(1,581,087)	1,590,042	(1,332,765)	8,955	203,263	(194,308)	718,875	319,236	25,519

Variance analysis for Association financials including the Olympic Department

Explanations of major variances are below.

Revenue

Overall membership revenue is \$203K below budget and \$36K ahead of the prior year. We over budgeted membership for this year but will continue to be ahead of the prior year. There are still membership/marketing acquisition campaigns that will be run in 2017. Youth memberships have been consistently lower than expected this year. The 2018 campaigns are now in the planning stage and we are reviewing the structure of Organization memberships.

Public support is \$662K ahead of budget and \$375K behind the prior year; taking out the \$550K pledge mentioned above, we are \$178K ahead of the prior year. No pledges for future years have been entered into the accounting system yet; they will be entered for December. Restricted contributions are \$763K ahead of budget and we are behind budget by \$100K in unrestricted contributions. The variance to budget is in a \$125K restricted grant to the REACH program, \$293K restricted contribution to the Olympic program for the purchase of boats and unbudgeted restricted contributions to the Education and Adult programs.

Sponsorship consists of cash in the door and VIK. We are slightly behind budget (\$9K) in cash sponsorships. The VIK is booked as we use it; we are slightly ahead of budget (\$5K). This year the SAP VIK is being booked at \$25K a month for a total of \$300K for the year instead of at the end of the fiscal year. The unbudgeted Olympic program VIK for coaching of \$75K is offset by the Coaching VIK expense.

Program revenue is \$162K ahead of YTD budget. There are some line items that are ahead of total budget for a total of \$56K ahead of total budget and continue to increase each month: registration fees - we are at 102% of total budget; amend existing certificates are at 122% total budget; new certificates are at 157% of total budget; trial certificates are at 123% of total budget; royalties are 217% of total budget; and application fees are at 335% of total budget. Sail number is below budget by \$19K; a sail number was sold for \$10K which went into restricted contributions. Other major YTD variances are: fees are below budget by \$20K, charter fees are \$8K below budget and revalidation is ahead of budget by \$16K.

The variance in USOC performance funding is timing and should catch up in October.

Of the positive variance, \$232K is in investment earnings. Revenue from investments was budgeted for \$99K for the year and is \$306K year to date. Another \$198K is in grants from The Coast Guard that were not budgeted; \$79K of this is from the prior year deferred revenue.

Publication sales are ahead of budget by \$45K which is timing of new publications.

Unbudgeted sales of boats in miscellaneous income has put the category over budget. Revenue from the Foundation has been recognized at \$111K as of September; \$19K below budget.

Expenses

Overall salaries and benefits are \$52K above budget contributed to temporary services; we have used temporary employees to fill some open positions until permanent staff can be hired. There are variances in each department with the moving of staff to different departments.

Operating expenses are \$361K below budget.

Events has a positive variance of \$40K with \$20K from NSPS and national conference expenses coming in under budget; and the timing of variance smaller events. The ribbon cutting expense will decrease this variance.

There are several major variances under budget in the Olympic Department which are timing issues that will be caught up by November: staff travel \$28K, non-staff travel \$121K and coaching \$60K. The charter fees variance of \$108K will not change very much; the purchase of boats from a donation has reduced the need to charter boats. There is also a \$98K positive variance in non-staff travel in the Youth program which will end the year in a positive variance. Major variances under budget due to timing are printing and stationery \$72K; now that we have moved we ordered printed materials with the new address; advertising \$61K, and photography fees \$67K.

Organizational grants are over budget by \$30K from the Reach grant that was unbudgeted and individual grants are \$26K below budget.

Shipping and postage were separated for this fiscal year. The separation was to break down the postal service mail from UPS and FedEx to understand where we are using postage and if there is a way to reduce shipping costs. Postage is \$27K under budget and shipping is \$25K over budget.

Coaching VIK was unbudgeted as was the revenue that offsets this expense.

Consulting fees are over budget \$20K with a majority of this from unbudgeted strategic planning. Publications of \$25K is due to increased sales in Smallboat Level 1 course materials. Registration fees were under budgeted in the Youth department with the Youth department making up \$130K of the \$149K variance; this is partially offset by the registration revenue.

Foundation – Georgia McDonald

US Sailing \$878,740.59	Olympic Program \$593,350.41	Pledge Payments - Prior Year's \$424,592.00	Total Cash In \$ 1,896,683
USSA \$362,550.59 USSF \$516,190.00			

We have exceeded the Association 2017 US Sailing budgeted fundraising goal: Actual - \$1,028,740 vs. Budget \$690,000. For an update on Olympic Program fundraising, see Jim Campbell's report.

In September, the US Sailing Foundation launched a campaign offering naming rights to central elements within the new USSA headquarters. Private solicitations to individuals is underway. To date, the campaign has raised \$150,000 through naming rights secured for the Board Room and the Collaboration Area. The digital campaign brochure is [here](#).

The US Sailing 2017 Year-End Appeal will launch in late October and work is underway to create a newsletter, print brochure, digital brochure, postcard and email template for this appeal. The 2017 theme is entitled "Smarter, Safer, Faster, Stronger" and we are targeting 18,000 donors and members. The campaign will run through year-end and be comprised of email, mail and telephone solicitation.

The Foundation data was converted to Blackbaud Raiser's Edge fundraising solution in early September, and although the system configuration process is complex, every indication is that this software will be extremely beneficial for our fundraising success.

Technology – Mike Waters

I have made it 90 days and look forward to many more. The important message coming from my desk is that anything we do and anything we invest in needs to be looked at to benefit the membership and the entire organization: standardization of systems for security and supportability; do what we do best or find someone who can do it better; and foster a culture of partnership with staff who are the direct link to the members. As this is my first substantial report I would like to present projects that are have been completed or are underway.

Office 365

Office 365 Migration was accomplished over the Labor Day weekend with little fanfare and few minor problems. This a major step in using external systems that are cloud-based, available anywhere/anytime, security-rich and not having to be managed by our internal staff.

O365 is now the consistent platform for all corporate work and communication. It solves a security risk we had as we continue to move to more mobile devices and will be adaptable to react to the threats we see daily from hackers. We are no longer cobbling together stacks of software tools or having to manage the cost or complexity. This change, even under the strains of moving the offices, was made to provide continual access to critical communications even when we were completely offline. The team is working well exploring features and interface, we are compliant, we are encrypted and we are saving US Sailing money.

Office Move

The physical move of IT was done in a methodical basis with review of the impact to the membership and mapping to the best time frame in order to get to business on Monday, September 18th. Our team shut down systems on Thursday, September 14th at 1700 and we were back fully running by 1330 the following day. All customer-facing systems remained up and available throughout the entire move.

Tim, Jeff, Andrew, Bryan and I continued working on the installation of monitors, cabling of computer towers and other duties not listed here; we completed these tasks well before the staff arrived on Sunday. After a week or so of working with wrenches to adjust the new monitors, handling some remote connectivity issues and assurance that the phone system was working as designed, I am confident in saying that we are all settled in and working along. I have to thank my new team for the nights and weekends spent on the flawless move.

Columbia Project

We are working with Columbia University School of Applied Analytics and a doctorate-level class on a challenge to develop a handicapping system for sailors. Much like golf, skiing and the shooting sports, handicapping is a way to foster deeper levels of competition and maintain interest in the sport. The issues in sailing are vast: wind, tide, location, course, etc. Having a fresh, non-partisan view to the problem may yield some interesting results. Stu, John and Nathan are participating in this project and we are using college sailing data due to availability and data consistency. We will partner with SAP in this project and will inform the Board of checkpoints and final presentations.

Website and Store

Our team is fully supporting and integrated into the website redesign project. Bryan is versed in the new platform and will continue to hone his skills and is looking forward to the site being hosted on a purpose built platform that will provide the uptime our membership wants, the security it needs and a complete mobile experience.

We will not be investing in servers or managing software, hacks and attacks. The provider partner will provide us a service level and has a proven track record. This, along with other external services, provides our team the ability to focus on higher value tasks. We are moving the store in order to meet PCI compliance and will be rolling this out by the end of October.

Across the Organization

Partnering with Education, we are reviewing current systems and investigating new and better ways to deliver content, test and validate. We are working on translation projects into Chinese.

Partnering with Olympics, we are vetting cloud-based athlete management systems that will allow real-time communication and response on training time, fitness, diet and also cover logistics of global event participation. Connections with various NGO's and Ivy League coaches has been valuable in this pursuit. We are also supporting upcoming World Sailing events in Miami for telecommunications and other 'duties not listed.'

Partnering with both Education and Race, we are looking to deliver Race Admin seminars remotely using existing tools or tools that will serve the greater membership. I will also be attending the National Facility event later this month to better understand the needs of the educators and meet with many of the content delivery vendor partners.

Partnering with both Youth and Adult, we are working on the integration of the Safety at Sea course into our database and development of a killer app that will be used before and during events for communication, results and outreach purposes.

Partnering with our Offshore Department, we have a scanning project for the remaining 40K 'boat folders' which contain data and historical information used in ratings. This is a continuation of an in-house project but made sense to out-take the balance, rather than move and store 150 large bankers' boxes. We are also continuing our work with ratings with SAP and looking to move that relationship forward.

The Future

Bright and exciting. My focus is on a membership management system for the next decade, staffing properly to execute on anything, training and retraining. In addition, I will assist Lauren's Fulfillment organization to develop partner/vendors that will better provide timely and valuable information, goods and services to our membership.

Membership – Lauren Cotta

We are above 45,000 active members. Proving very successful, our membership acquisition campaigns have gained us over 1,000 members this year. The campaigns are comprised of advertising on social media and email communications averaging 150 members gained each month. The growth we have sustained in acquiring new members has not been replicated across all membership types causing variances each month in the number of active members.

Many of our Keelboat schools were affected by destructive hurricanes over the past two months which is reflected in lower Keelboat membership numbers. As John explains below, youth memberships are affected by our JO regattas. Three regattas cancelled this year reflect in lower numbers of memberships purchased. Our organizational membership is finally in line with last year. We are already planning for 2018 and thinking of membership product offerings and value statements for individual and organizational memberships.

Youth – John Pearce

With school back in session, the 2017 youth sailing busy-season has wrapped up. Below is a brief summary of the year to date, as well as updates on a few ongoing projects:

Instructor Certification Courses

Level 1 is on track to meet or slightly exceed goals and Level 2 had a strong year. Sailing Counselor and Level 3 Coach have had a disappointing 2017 and are in need of attention in 2018. Level 3 Head Instructor has yet to get off the ground, although there is a course slated for later this fall in Maine.

Course	2017 Goal (# of courses)	2017 YTD
Sailing Counselor	25	17
Level 1 Instructor	136	134
Level 2 Instructor	18	21
Level 3 Coach	8	5
Level 3 Head Instructor	5	0

Junior Olympic Sailing Festivals

With three of the major Florida JO’s coming up this fall and winter, the busy season continues for this program. In general, participation numbers are very similar to last year, although we’ve observed that the big regattas have grown bigger and smaller regattas have shrunk. This perhaps indicates a trend in the market towards the big, well-marketed events. Two smaller regattas were cancelled due to low interest,

and one was cancelled due to flooding. John Pearce will be on-site at the remaining Junior Olympics this season conducting “FunFest” activities such as the compass scavenger hunt, rope toss and other games.

Championships

It has been a successful season with high-quality events and good feedback from sailors and stakeholders. Interest (number of applicants for the invite-only regattas) and registrations (for the open events) were nearly identical to 2016. Looking ahead to 2018, the goal for the Youth/Junior Championships is to streamline the sailor/host experience with an improved registration/waiver process and other qualitative improvements. This is a highly demanding group of customers, and a modern and efficient approach will reduce the administrative burden on the host clubs and simplify the sailor experience. Youth Development Manager Meredith Carroll is leading the charge on this effort with promising results so far.

Communications

Led by Will Ricketson, we have been piloting a targeted communication to a youth audience with a modern, mobile-friendly look. The July and September editions are linked below for reference:

[Youth Racing News – July 2017](#)

[Youth Racing News – September 2017](#)

We started with a “youth racing” audience because it was a natural connection between Youth and ODP racing material. Going forward, we plan to expand the scope to include recreational sailing as well. The Youth Development Model project (see below) will be an ideal vehicle for combining racing and non-racing content, and will be accompanied by significant communications and marketing.

Youth Development Model

At the October 19th Board meeting, Stu and I will present an update on the progress of the model. In short, we are undertaking a long-term project to refocus attention on the essential components of a young person’s sailing experience: skills, confidence and growth towards mastery. The goal is to create more lifelong participants in the sport, which will also create a larger pool of high performing athletes. We aim to do this by:

- Expanding the educational support we give to instructors and coaches at all levels, including new tools and resources. Based upon an updated list of skills developed by Olympic Coach Grant Spanhake, this will serve as the foundation for student curriculums and lesson plans.
- An accompanying marketing and communications campaign based around the USOC-endorsed American Development Model and the concept of Long Term Athlete Development (LTAD). This is a very hot topic for NGB’s in all sports as a tool to combat decreasing youth sport participation and poor retention rates.

It is important to note that we are building the framework for this project so that it incorporates and expands existing US Sailing programs such as instructor certifications, regattas and Reach. We do not want to reinvent the wheel; rather just build a bigger and better wheel.

National Coaching Symposium

Following last year’s successful pilot led by the Olympic Department, the Youth, Education, and Olympic Departments are collaborating on an expanded program this year. Following the Olympic Development Program camp over Thanksgiving weekend in Miami, we will offer two continuing education programs for high level coaches:

The “High Performance Coaches Roundtable” on Monday, November 27th is a small, invitation-only event with a collaborative roundtable format.



The National Coaching Symposium to be held on November 28–29th is open to the first 100 registrants and will represent a more traditional conference format. Additional information is available at [National Coaching Symposium 2017](#).

Adult - Betsy Alison

Course	2017 Goal	2016	2017 YTD
Keelboat Instructor Courses (all levels)	24		35
Keelboat Instructor Candidates (all levels)	114		166
Basic Keelboat (student)	2195		3500
Basic Cruising (student)	925		1200
Bareboat Cruising (student)	626		875
International Proficiency Certificates (IPCs) Issued	142		130
Safe Powerboat Handling	1099		2100
Powerboat Instructor Courses	9		15
Course Attendees	59		70
Safety at Sea Coastal		80	150
Safety at Sea Offshore		709	1061
Safety at Sea Int’l Offshore w/ Hands		680	819

The Adult Department continues in full swing this fall season as there are four Adult Championships, three Safety at Sea Courses, National Faculty meetings, Keelboat and Powerboat Instructor courses still on the schedule between now and the end of November.

Keelboat Programs

Keelboat programs have been strong this year and ahead of projections. A solid marketing program has supported these programs, and we hope to continue good working relationships with our commercial keelboat schools. Unfortunately, the negative impact of the hurricanes this season, particularly on the schools in the Caribbean region, will have a decided impact on the number of courses run and student completion rates this winter season. As our schools rebuild post-hurricane, we will do what we can to support their efforts and help accommodate their students as needed.

Safety at Sea

Safety at Sea courses grew from a total of 19 courses held in 2016 to 2017 YTD of 25 courses held with three more to be completed by the end of November. The overall number of attendees to SAS courses has risen. The number of races in the USA that are requiring SAS training for participants is rising - surely a reflection of a focus on increased safety and awareness. The demand for more courses that provide "hands-on" training has increased and, as a direct result, the number of two-day International Offshore SAS courses offered rose by 25% in 2017, and several providers held just the "hands-on" day for their participants.

Online/E-Learning for SAS, both 5 Chapter Coastal and an 8 Chapter SAS Course offered through our provider, Fresh Air Educators, was introduced this year: SAS (8 Chapter) in late February and Coastal in April. Though the current numbers are not exceptionally high, 36 Coastal and 231 SAS (8 Chapter) YTD, the positive feedback by the consumer was great and, considering that we did not actively market these products, projections for 2018 will be much higher. The second version of Offshore SAS (10 Chapters) to be released to the public in January of 2018 will be an alternative to the one-day, in-person Offshore SAS course. We believe that this will fill a need in the market for SAS education without negatively impacting the number of attendees at the in-person courses. A marketing campaign will be launched around the Online/E-learning platform.

US Powerboating

As evidenced by our interaction with boat show attendees at both the Newport International Boat Show and the US Powerboat Show in Annapolis, the demand for hands-on powerboat training is real. US Sailing has a product/program that we need to market effectively to the public. Discussions are ongoing with potential partners to make this happen. More and more insurers of boats of significant value, especially to new boaters, are requiring a certain number of hours of hands-on training before they will underwrite policies (this is particularly true for boats over 30-35 feet in length). Many insurers will offer discounts to clients who have safe powerboat training and or safe powerboat courses, especially with vessels under 26 feet in length.

Though we are primarily a sailing organization, many of our constituents also own or operate power vessels. Our trained instructors use powerboats as do our trained coaches. Our trained Race Officials operate powerboats. Powerboat operation is not going away anytime soon and we should embrace the opportunity it affords us.

First Sail

First Sail locations numbered 82 at EOY 2016. To date, we just passed the 150 location milestone. Our hope is to increase the number of locations by the end of 2017 to double that of 2016. Increasing awareness of First Sail with LSO's and other sailing organizations is key to the future growth of this grassroots program to get newcomers into sailing. Recent soft marketing efforts seem to be stimulating some activity.

Adult Championships

Our fall season is filled with Adult Championships. In September, the Offshore Championship for the LLOYD Phoenix Trophy was held at the US Naval Academy - it was a decided success with applications exceeding the number of available invitations. The Championship of Champions was completed last weekend at the WaterFront Center in Oyster Bay, NY and was a resounding success. This week marks Oakcliff hosting the US Match Racing Championship, followed next week by the US Team Racing Championship hosted by Seawanhaka Corinthian Yacht Club both in Oyster Bay. Our Adult Championship season will continue into November with the US Adult Championship at the St. Petersburg Yacht Club in Florida, followed by the US Disabled Sailing Championship in Clearwater, Florida. Our lineup of host sites for all 10 US Sailing Adult Championships for 2018 is nearly complete.

An evaluation of all of the Championships will be done over the next several months to examine participation rates, enthusiasm for and potential of increased interest and participation in these events.

Olympics - Performance - Malcolm Page; Business – Jim Campbell

Triple Crown - Hosted by Oakcliff

- The third and final 2017 round has completed.
- This event had the purpose of growing domestic Olympic class fleets focusing on the 5x class Oakcliff supports (Nacra 17, 470M & W, 49er & 49erFX)
- 2017 event proved successful with athletes winning valuable campaigning money to kick start their 2018 season. The overall numbers were down mainly due to the late design/announcement of the series, and clashing with major international events.
- USST is working with Oakcliff to try to assist in this design for 2018

Athlete Recruitment – Highlights

- **Win**
 - 3x 470 Women teams have combined and will start full-time training from November 2017.
 - Coach Mike Ingham (Sonar Silver Medal Coach Rio 2016) will be leading this group.
- **Unknown**
 - Annie Haeger, Anna Tunnicliffe and Chris Rast are still thinking about campaigning. These are all high achievers and would/could have high potential.
 - Jack Parkin has just started college at Stanford, and his college sailing is starting to take priority. He has already indicated that he will not sail the 470 until January 2018.
- **Loss**
 - Lucas Calabrese (Bronze 2012 ARG) has stopped campaigning.
 - This occurred in late September, so talks are preliminary and, maybe with some time, we might be able to bring Lucas back to the campaign trail.

Annapolis Boat Show – October 6th

- USST athletes Bora Gulari and Caleb Paine, with Martha, Jim and Malcolm, visited the 2017 Annapolis Boat Show. The main reason was to connect with some of the team sponsors in Harken/McLube and Jeanneau Group.
- USST had a successful dinner with Harken/McLube on the Friday evening. It appears that the relationship has been reignited with a more technical partnership approach.

AC36 – October 6th

- Jim, Bora and Malcolm connected with Terry Hutchinson to discuss their recent (previous day) announcement for a bid to win the 36th America's Cup.
- It was discussed to try and assist each other and align resources, where possible, to maximize both for US Sailing and their AC Campaign. This will be investigated more as the AC team is built, and the USST builds their expertise as well.
- One interesting angle that was discussed, was to have a home grown team towards the 37th AC (assuming they win AC36). Terry seemed excited to align with US Sailing to achieve this goal.

Yacht Club Presentations – October 5th and 7th

- New York Yacht Club and American Yacht Club - Jim and Malcolm presented at both these clubs. The message was received strongly and the understanding of growing the support of the sailing community is needed.
- Both clubs would like to partner with USS/USST to help bring USA back to the podium.

West Coast

- **Technical**
 - IR&D Director is making great connections on the west coast.

- The USST has some great alliances building with support coming from world leader technical companies.
 - A deepening of the relationship with the USOC is being increased with this technology push as well. USOC Technical Director is providing a lot of connections and support in build out the CoE West.
- **Program Supporters**
 - Some great connections were fostered in San Francisco.
 - Summary
 - Tom Siebel dinner, meeting with IR&D Director and Malcolm Page.
 - StFSF meeting, with Malcolm presenting an update on progression from the team.
 - TISC meeting, with Malcolm and Jim meeting the major partner to the TI-FAST CoE development.
 - US Skiing, with Malcolm and StFSF meeting with a board member of US Skiing and gained experience around Skiing transformation.

Fundraising

- **Activity**
 - Jim just completed a two-week trip to San Francisco, Long Beach, San Diego, New York City, Annapolis, Rye and Oyster Bay, NY.
 - He conducted 22 meetings with a mix of people who are continuing on as supporters as well an excellent mix of new people to our donor population.
- **Message**
 - Generally our new message continues to be well received and our donors are excited with what Malcolm is leading on the performance sides.
 - They are also excited to hear about the two big gap areas in our system, that being the misalignment in college sailing to Olympic hopefuls and the steps that are being taken to provide effective alignment to the system we are building.
 - Gap 2 is the Career gap. Excellent meetings were held in SF with key leaders that are stepping up to volunteer for this critical gap.
- **10 Year Business Plan**
 - One key activity will be creating a 10 Year Business Plan that will provide insight to the sources and uses of funds needed to build the robust Gold Medal System that is being architected, designed and built.
 - This is something that our highest net worth donors are asking for as we sell the TOP Idea. A clear picture of the forecasted spend is a critical part of their investment decision process.

- **Match Program** – Q4 focus in on closing the \$300,000 gap in the match pool to reach our \$1M dollar challenge by December 31, 2017.

- **Round Table Fundraisers**
 - Jim is on point to kick-off the Round Table idea.
 - The first few are being planned now in NYC and Houston.
 - Brian Keane and Jim will be driving this idea forward to many other cities by identifying key sponsors that will host these select dinners with 8 to 12 people.

- **Yacht Club Partnerships**
 - Georgia is on point to launch the YC program
 - Initial plan stage to select the top 5 major YC's to host
 - NYYC is the first and a final date is being confirmed for the summer of 2018

- **Endowment** - Progress has stalled and needs to pick up

Offshore – Nathan Titcomb

The majority of the rating rule season has concluded for 2017. As it currently stands, the three rules have all performed within expectations financially. However, IRC and ORC have not produced the total number of active certificates relative to the number of certificates expected as part of the budgeting process.

	Current	Budgeted
IRC	167	180
ORR	624	620
ORC	122	250

For ORC, the shortfall in valid certificates is financially made up by the number of ORCi certificates relative to the number of the much less expensive ORC club certificates. There are 37 ORCi certificates issued this year relative to the ten that were budgeted for. IRC has seen roughly 12% of the issued certificates issued to new boats. As new boats producing more revenue helps to explain the financial parity, but certificate shortfall.

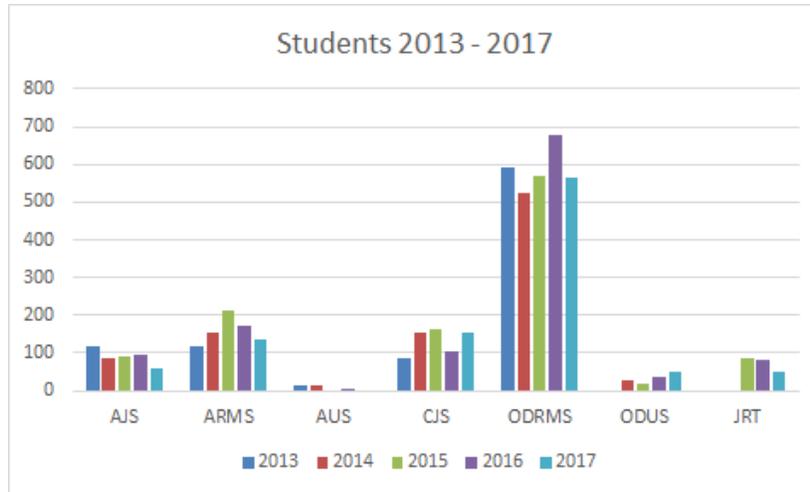
We have exerted considerable effort over the late summer months focusing on the Portsmouth Yardstick Handicapping Rule. The Portsmouth system is primarily focused on dinghies, although ratings exist for catamarans and small keelboats alike. The rule computes ratings based solely on statistical analysis of results. The Portsmouth Yardstick holds tremendous potential to provide competitive racing to orphaned classes and sailors who do not have active one design fleets in their areas. We have taken several steps to improve the infrastructure of the rule as the first steps to grow use of the rule. We took the preliminary steps of paper files and old PDF's to internal spreadsheets, allowing better control in updating the [current listings](#). We also completed the large task of reformatting and digitizing the [Portsmouth Yardstick Handbook](#) to again allow better control when issuing updates and revisions.

We partnered with several industry leaders to spread the word to clubs and fleets about the work we have done. This group has been tasked with identifying the boats and classes not yet addressed in the Portsmouth Yardstick ratings list. We have already received many requests for new classes to be included in the tables and to also starting to receive results of racing that has happened so we can update the listings. We anticipate a full update to the rating tables for the start of the 2018 season which will be the largest update to the rule in well over 10 years.

Looking ahead to the 2018 season, there is one area of concern. 2018 is a Bermuda race year, meaning there will be an influx of measurement requests as the Newport Bermuda race requires full measurement. The US Sailing official measurer's corps lost a key member that serviced the Long Island and greater New York City area. We have worked to train two new recruits. However, they are not currently up to the caliber to operate independently. While we will continue to work with them over the winter to prepare, the overall age of the official measurers must be considered and further efforts made to recruit and train appropriate people as part of a succession plan.

Race Administration - Matthew Hill

To date this year, we have offered 75 race official seminars that educated 1014 members. There are six more seminars on the 2017 calendar that will likely reach about 75 more members. Our numbers are down slightly in both seminars and participants (see below), but one of the brightest spots is the significant increase in members who took the Club Judge Seminar (156 in 2017 vs. 105 in 2016). This represents significant growth in area of real need. We also had a growing number of judge renewal candidates who opted to use Judge Round Tables and other continuing education events in place of standard seminars for recertification.



Transitioning of the scheduling, registration and fulfillment of courses to the Education Department continues, with ongoing conversations about process and content to ensure that our courses are the best we can offer and truly meet the needs of our constituents. Our training efforts will also benefit from enhanced marketing efforts to get the word out about our program and offerings.

With the help of key volunteers and our colleagues in our Marketing Department, we are making strides in strategically placing seminars in area where more training and certified officials are needed.

Race Administration will have a significant presence at the National Faculty meetings next week. We will focus on reviewing and aligning the entire offering of courses, developing our new Race Committee 201 course and reconsidering how we can make the Power Boat Mark Set course more accessible to race officials and race committee volunteers. Another significant topic on the agenda for the National Faculty is the instructor training and certification system. In addition, we will look at all of our publications with an eye to enhancing their content and standardizing the format to give them a more polished, professional look.

As part of the Association-wide strategic planning process, we are taking a careful look at all of our race official training and certification processes, with the goal of making the process truly customer-friendly, accessible, transparent and effective. Because racing sailors are our customers, our first priority is to continue building a system that supports racing and the sailors who participate it and delivers top-quality services for every event.

Education – Stu Gilfillen

As the number of 2017 courses has begun to wind down, the scheduling team has shifted its focus to integrating programs that are not already under the umbrella of the Education Department. The keelboat program was moved from the Adult Department in late September and all Race Administration courses will shift over on November 6th. As each program had previously been managed with a slightly different

process, the challenge has been working to ensure that we bring them in line with both existing scheduling processes and the new structure of Customer Connect.

Our Product Development team has been hard at work on a variety of projects to support the different departments. We have been working closely with John Pearce on the new Youth Development Model, National Coaching Symposium and High Performance Roundtable. With the Adult Department, we are in the process of finalizing the last two of ten modules for the Safety at Sea Online course. Thanks to the substantial efforts of Chuck Hawley and Bradley Schoch, we will have those completed, and public, by the end of this year. Additionally, we are working on a few video projects for both the keelboat and powerboat programs that will provide resources to support both our instructors and students.

With the Race Administration Department, we have been working on updating the materials for all the courses, beginning with the One Day Race Management Seminar. We are also working with Matt Hill to establish a webinar program for the Judge's Committee that will be launched later this fall.

Additionally, we're gearing up for our National Faculty meeting in St. Petersburg, Florida later this month. 51 people from all across the country will come together to talk about how US Sailing can improve our educational offerings. While each area has unique topics, globally we'll be reviewing how Risk Management is handled within our programming and working on the structure for the new Teaching Fundamental Online which, when complete, will be the basis for all our instructional programs.

Marketing and Communications - Dan Cooney

First Sail/Boston Bruins

In August, we got the great opportunity to work with the **Boston Bruins** to bring two of their up-and-coming stars, Brandon Carlo and Noel Accari, to Courageous Sailing Center in Boston and give them their "First Sailing Experience." This experience was recorded by Boston Bruins Media and was part of their Season Premiere episode of "Behind the B" which aired on September 14th on NESN (New England Sports Network) as well as the NHL Network. This was a great experience for all and a great opportunity to introduce sailing to newcomers. Kudos to the US Sailing Staff members who helped including, **Karen Davidson, Jake Fish, Jon Graham, Jeff Kerins, Jack Gierhart, Betsy Alison** (even though she couldn't attend, helped a ton with the setup) and our Paralympic Silver Medalist, **Hugh Freund**, who was the instructor for the experience. A huge thank you to **Emily Dodd** who was the driving force in getting this opportunity set up in the first place and who was instrumental in making sure that the execution happened flawlessly. Here is the link to the full episode; our segment starts at 24:40 –

<https://www.nhl.com/b Bruins/video/behind-the-b-season-5-ep-1/t-277463846/c-52655003>

This Is What We Do

The latest episode of the "This Is What We Do" video series was released on September 27th and featured US Offshore Director, Nathan Titcomb, discussing how US Sailing levels the playing field. **This episode received over 10,000 views on Facebook with a reach of 23,000 and shared 26 times, while also making it to the top of Scuttlebutt newsletter....again!**

Membership Campaigns

The campaigns keep rolling! In late August through September we reached out to new and lapsed members with a customized S'well water bottle with membership – and to date we have had an additional 162 members take advantage of this offer.

We also are piloting an innovative and forward-thinking **GREEN** membership for college teams to take advantage of, where they will receive a digital membership card, an e-version of the current RRS, as well as only electronic communication via text messaging. To date – we have had 335 college members take advantage of this offer.

There has also been a consolidated effort to increase our brand presence using our social media outlets in creative ways. Mid-summer, we sponsored a Buzz Bar for the start of the Chicago Mac where, in two days, we captured 22,000 impressions via Snapchat Stories. Late summer, Melges Boat Works took over our Instagram Story at their annual X Scow Junior Championship, and in a four-day period created over 250,000 impressions of our brand and members in action. More recently, we ran an Instagram Story at one the major fall college intersectional and in a short, two-day period garnered over 35,000 impressions. In our Instagram posts, we are consistently receiving over 13,000 impressions per posting. All this exposure helps create a brand presence by keeping relevant content at the forefront of our members' social feeds.

Championships

Two championships have taken place at the end of September (US Offshore Champs) and early October (Championship of Champions). For the US Offshore Champs we had live twitter updates on the US Sailing handle as well as a full preview and final report. For the Championship of Champions at the WaterFront Center in Oyster Bay, NY, we had a full Facebook Live broadcast (produced by Degan Media), complete with drone footage and play-by-play commentary from Jon Rogers. **The C of C broadcast had a total of 15 posts through the 3 days of racing with a total of 30,600 views and a total reach of 190,460.**

Next up is the US Match Racing Champs (October 13-15) at Oakcliff Sailing which will have video coverage with morning shows and daily recap shows, produced by T2P.TV and hosted by Tucker Thompson. The weekend after Match is the US Team Racing Champs for the Hinman (October 20-22) at Seawanhaka Corinthian Yacht Club, which will again feature a full Facebook Live broadcast with play-by-play commentary from Jon Rogers and Marly Isler.

Website

The website redesign project is charging ahead. US Sailing staff viewed the design and structure of the new homepage and reviewed it with some Board members and some key volunteers. By all accounts, everyone likes the design and structure and we are moving forward with coding of the homepage which will then lead into the building of the rest of the site.

Design Principles has taken the entire staff through the process of content curation and migration. The next steps are to code the homepage and then Design Principles will be working closely with the US Sailing staff over the next few months to build the rest of the pages of the site. The US Sailing staff and departments will be enlisting the help of volunteers who are close to their content to ensure the site and

their specific pages are being built correctly. The new timeline of the project has a full launch of the new site in the 3rd week of January.

Extreme Sailing Series - San Diego

US Sailing is on board as a full partner of the Extreme Sailing Series stop in San Diego, happening October 19-22. This is an important partnership for US Sailing for a multitude of reasons including visibility, promoting Reach and STEM Education through sailing and putting our flag down as an educational leader on the West Coast, and the fact that this North American stop in San Diego should continue for the next five years. US Sailing is leading the charge in organizing and executing the “US Sailing Education Zone” in the Race Village. We are partnering with Mission Bay Aquatic Center and Sailors for the Sea to create an interactive educational opportunity for children, adults and fans of all ages to learn how educational principles can be taught through sailing.

Storm Resources

In response to the multiple hurricanes, we felt that as the National Governing Body it was incumbent upon us to provide resources to those affected by the destructive storms as well as provide ways in which people could help.

We developed a “Storm Resources” webpage (<http://www.ussailing.org/stormresources/>). One of the centerpieces of the relief efforts that we promoted was the “Sailors Helping” organization which is described as a “massive flotilla meets Habitat for Humanity” and is embarking on a massive relief effort for Puerto Rico and the Caribbean Islands. We worked with Jenna Barnes, who is heading up the efforts for relief, to shoot, produce, edit and distribute a video (all in one day) that describes the organization and its efforts as well as help with the reach of the Storm Resources page. **This video received over 20,000 views on Facebook and the post reached over 50,000 people. Moreover, the post was shared 264 times, so it is safe to say that the message definitely got out.**

Sponsorship/Degan Media Consulting

Dan Egan has continued his work on formulating a new foundation for the Team’s commercial program and setting up a plan of execution to both sell and activate it. Working with Martha Fortin and me, Dan has outlined a sponsorship package that serves the value needs and timeline of the team and provides an exciting and enticing offering to potential sponsors. He has already set up meetings with a few high-level prospects and hopes to sell six to eight of these sponsorship packages over the next two years. Part of his current focus is to increase the value of our flagship event World Cup Series USA in Miami each January so that we can offer that as a valuable asset to the full US Sailing sponsorship package.

Member Engagement - Katie Ouellette

The Member Engagement Team has been focused on three primary tasks over the last couple months:

Sailing Leadership Forum

The schedule is about 90% completed with a very exciting line-up of presentations and over 50 speakers already confirmed. 2018 sessions include: High Performance Dinghy Event Safety, Junior Sailing On-Water Program Safety, Youth Development Model, Safe Sport, Innovation in Competitive Youth Sailing, Dinghy Distance Racing, Pursuit Racing, Demystifying PHRF, Social Media Marketing, Foiling for the Recreational Sailor, Introducing Drones to your Race Management, How Class Associations Attract Youth and two sessions on kiting, including a special appearance from Daniela Moroz (just to name a few). Registration is on track with previous years with 150 people registered. The first draft of the schedule should be published in the coming weeks and will prompt another call-to-register communications push. Here is an excerpt from the most recent Quarterdeck announcing our emerging theme of kiteboarding:

US Sailing has organized a compilation of presenters and on-water demos for kiteboarding – a growing area of interest in our sport:

- **NeilPryde**, a 2018 sponsor of Sailing Leadership Forum, will be onsite introducing their new and emerging lines of one-design kiteboarding and windsurfing classes.
- IKA Formula Kite World Champion and US Sailing's 2016 Rolex Yachtswoman of the Year, **Daniela Moroz**, will be participating in NeilPryde's equipment demonstrations and racing on the water.
- The **International Kiteboarding Association** President and Training Manager will deliver an interactive presentation on IKA's development of its International Kiteboard Training Program.
- Witness mock kite races, learn kite racing logistics, recognize the ease of kite circle inclusion at your regatta and see and touch the innovative gear.

Boat Shows

US Sailing/US Powerboating had a very successful presence at the Newport International Boat Show, signing on new members and giving “thanks for being a member” gifts to over existing 100 members. As always, the Reach scavenger hunt was very popular. We had over 15 staff members take a turn working our booth and proudly greeting our members and the local boating community.

Andi Barton, Emily Dodd, Josh Toso and myself just returned from an energizing week in Annapolis at the Sailboat show. We heard numerous times how great it was to have US Sailing at the show. Our membership and support is strong in that region and we were proud to represent US Sailing. Josh worked very hard connecting with our partners and putting in some invaluable facetime. Karen Davidson and Betsy Alison are in Annapolis representing US Powerboating at the Powerboat show.

Organizational Membership

Work has started on restructuring and improving our Organizational Memberships. This includes simplification of membership levels, improved member benefits, capturing five key points of contact and potentially simplifying the purchase process. Marcy is taking the lead on this project and working hand-in-hand with Information Technology, Marketing and Fulfillment. Time is short with first Org renewal notices scheduled to hit mailboxes on November 15th.

Aside from these big projects, we have spent the past few weeks adjusting to our beautiful new office spaces, continuing roll-out of our ZenDesk support software, publishing a third Quarterdeck newsletter, planning fall/winter Regional Symposiums, organizing the Ribbon Cutting ceremony and serving our members on phone, email and live chat. We look forwarding to seeing everyone October 19th.

Administration - Lauren Cotta

In August and September we focused on moving our office from Portsmouth to Bristol, RI. We streamlined our move working groups. Meeting on a weekly basis, our two teams focused on IT, Finance, Operations, the new building and furniture. Preparation and a lot of hard work during the week of the move resulted in a very efficient move on September 15th. We hired A. Walecka & Son, Inc. as our moving company. It was estimated to take 11 hours to complete the move. However, we finished in 8.5 hours, thus saving approximately \$1,000.

After 13 years at US Sailing, Julia moved on to new ventures and parted ways with US Sailing. We wish her well and know we will see her on the water. We welcomed Brady Hayden, who has taken true ownership of her role as Merchandise and Inventory Manager. Brady is working with Design Principles to build our new online store that will launch this fall. Our educational products are the cornerstone to the services we provide to members and we are looking forward to offering our customers a refreshed and user friendly store. We are learning more about the intricacies and operations of the store and are excited to make improvements to processes in the future. One example of a potential improvement is to connect the new online store to Authorize.Net, our credit card payment gateway. This will streamline the accounting processes and provide transactional transparency for staff for online payments collected through our new store.

Cam Tougas came onboard to work in the Fulfillment department following Anila's departure. He worked incredibly hard during his four weeks at US Sailing. Cam helped to sustain the level of customer service our members expect by shipping instructor certification packages, member incentives as well as providing interim support for the store cross-training with Julia before she left and helping to bring Brady up to speed. We wish him well in his new job in Ireland. At the end of October, we will welcome Rachel Reagan who will be filling this Fulfillment role as a full-time employee. The procedure manuals and cross-training documentation developed this year will help bring Rachel up to speed.