

2020 Association Report - July

Financial Metrics Based on June 2020 Financial Statements and Membership Report

Topics	Comments	Status
Financial Metrics		
Cash Flow: Goal: Positive Cash Flow	June YTD US Sailing has generated \$585K in positive cashflow (without the PPP Loan) and 1.365K with the PPP Loan of \$810K	Green
Membership & Retention Goal (Revised): Revenue – \$2,099,956 (flat from 2019) Retention – 68%	41,864 (6/20) vs. 44,990 (6/19) Revenue: <ul style="list-style-type: none"> • For June - 2.5% growth- \$177,386 (6/20) vs \$173,103 (6/19). • YTD - 2.1% growth - \$1,070,049 ('20 YTD) vs \$1,047,818 ('19 YTD) Retention: 63.5%	Red Green Red
Key Priorities Update		
Membership:	<p>The main reasons for the decline in membership numbers is due to postponed and cancelled events. The absence of US Junior Olympic Festivals is noticed in the lower renewal rates of youth members. We've seen lower counts of new individual and family members from less in-person courses. The in-person courses that started to run at the end of June and scheduled through the summer (with more being added through the fall), Level 1 and Keelboat and Powerboat Instructor courses, are helping to begin to bolster numbers.</p> <p>The approach to membership currently is through segmentation. Youth, family, contributing, One-Design and offshore boat owners are the first set of personalized emails. A small team from various departments collaborated to draft targeted messaging. These campaigns focus on the value of membership, member benefits and the request to renew today. We are testing emails that include a message with a call to renew as well as renewal request that include an incentive (discount, item, exclusive benefit, etc.). The membership messaging is aligned with projects that are expanded upon by each department such as the Youth Racing Central, Virtual Junior Olympic Festival and One-Design class webpages. With the rollout of Skill Up to early adopter programs, we are starting to process memberships for youth to gain access to the app.</p> <p>Looking ahead to the fall, we are exploring opportunities to repackage the value of membership to our core constituents. One key segment is youth programs. They've proved resilient throughout the pandemic. We'd like to make it easier for organizations to encourage membership for their participants. Our approach is to create a youth sanctioning program that keeps participants and volunteers safe through SafeSport training, additional risk management benefits and access to the Skill Up sailor skill tracking app. And management platform. We are packaging this program through the end of the summer and engaging with focus groups to rollout out broadly this fall.</p>	
Program/Product/Service Sales:	<ul style="list-style-type: none"> • Many KB Schools are starting to teach again. Though students on board boats are reduced/limited in #'s, schools in operation indicate that they are very busy, and some are nearing sold out capacity for the summer. • The New OD landing page launched Friday, July 24, and is being followed by the launch of the e-newsletter "The One Design Line" on Monday, July 27 along with an announcement in the Weekly Lift. This will be followed on July 30 with a Starboard Portal session laying out the newly provided amenities on the landing page for the One-Design sailor. 	

<p>Program/Product/ Service Sales Conti.</p>	<ul style="list-style-type: none"> • SAS Host Organizer agreements are being reworked for the upcoming Fall 2020/Winter-Spring 2021 for distribution in August to get courses on the calendar, and promoting sailors taking those courses. • We continue to work on scheduling in-person instructor courses but are limited by the number of available hosts who meet our COVID-related guidelines in states that have an available Instructor Trainer. Our online courses (Reach, Basic Race Management, the first ½ of Level 1) are up and running but registrations for Reach and Basic Race Management are below expectations and we are reviewing different marketing approaches as we move into the fall. Education, in conjunction with Youth, are also working on an online version of the Level 3 Head Instructor course which will be available late summer/early fall. The work on the Rulebook, in both print and App form, is underway and both will be ready for release by early October. Dave Perry’s books will be ready about one month later, in mid-November. • In the period of June 1 – July 22, 11 organizations have started as Skill Up programs, adding 577 new youth members (not including Siebel Sailors Program sailors, who are automatically US Sailing youth members). Seven additional organizations are scheduled to start in August, and we will continue adding orgs throughout the fall and winter, particularly in the warmer climates that sail year around.
<p>Race Admin Review:</p>	<p>The RA Task Force is focused on improving operations and transparency within the various areas of Race Administration. This includes clearly defining staff/volunteer roles and responsibilities in order to provide all US Sailing members with the highest level of product and services and provide the volunteer members a rewarding experience. The group has met three times so far, discussing certification, education and training, and organizational structure.</p> <p>For reference, this is how each area/topic was defined:</p> <p>Certification: How we set criteria, procedure for certification and recertification and dealing with problems (already a working group on the latter).</p> <p>Education: How we develop, produce, and deliver our trainings, seminars, roundtables. Recruit and mentor volunteers.</p> <p>Organizational Structure: Committee work - how the work gets done including roles and responsibilities of the members & staff. Communications. Financial Support & Recourses.</p> <p>We are reviewing procedures by which the Review Board functions and the Regulation 15 Grievance process. The intent is to develop and publish detailed Review Board procedures and standards that will supplement Regulation 15 with clearly defined staff and volunteer roles and responsibilities.</p>
<p>Communications:</p>	<p>Below are Q2 highlights of communications that are part of our customer/member outreach:</p> <p>Youth</p> <ul style="list-style-type: none"> • Launched Youth Racing Central • Launched Virtual JO including Lapsed Youth Member Campaign • Developing Skill Up B2B comms plan for August as well as brand effort to build awareness • Supporting youth newsletter <p>Adult</p> <ul style="list-style-type: none"> • Supported development of One-Design Web Experience – including new newsletter – One Design Line • Continue to support SAS – Ads, Email, Cross Promotion with Boat US • Working with Offshore on Portsmouth Yardstick outreach <p>Membership</p> <ul style="list-style-type: none"> • Development of new member benefits w/ Boat US, Zhik, West Marine, Harken Derm, McLaughlin • Supported acquisition communication development driven by Lauren and small teams • Continue to drive meaningful Starboard Portal sessions for member engagement • Developing new content within The Weekly Lift

	<p>USST</p> <ul style="list-style-type: none"> • 5 Press releases, 30 Instagram posts, 23 Facebook posts, 4 medalists, 5 Starboard portal Sessions • Celebration of One-Year to Olympic Games Live Starboard Portal • Expanded team social campaign to align with one year until Games • Meet the team rolling out in early August and will be following new brand guidelines for continuity <p>Organizational</p> <ul style="list-style-type: none"> • Development of Diversity, Equity and Inclusion Starboard Portal Panel on August 4th • Diversity, Equity and Inclusion letter from Jack for the week of July 27th • Developing a partnership with Women Who Sail – including promotion on the weekly lift, packaging products/ services and membership • Working with Siebel coaches on social media takeovers on the Association channel to share content. • Expanding social media coverage and sharing – supporting key areas of US Sailing as well as external partners <p>Web Analytics for June:</p> <ul style="list-style-type: none"> • USSailing.org had a 1.53% increase in visits compared to June 2019. (69, 264 visits vs. 68,218 visits) • USSailing.org had 198,089 pageviews. • Some of the most frequent visitors were between the age of 25-34 making up 18.78% of all traffic. • 66.7% of all web traffic were through an organic search or direct traffic. • Social media made up 6.7% of all web traffic (3,380 sessions), with its top platform being Facebook with 2,809 sessions. <p>USSA and USST Social Media (6/2019 vs. 6/2020):</p> <table border="1" data-bbox="462 1081 1279 1312"> <thead> <tr> <th></th> <th>Facebook</th> <th>Instagram</th> </tr> </thead> <tbody> <tr> <td>Association</td> <td>65k fans (up 0.2%) Engagement 59k (up 8.4%) Impressions 3.3M (up 1%)</td> <td>31k followers (up 8%) Engagement 48k (up 2.6%) Impressions 2.6M (up 18%)</td> </tr> <tr> <td>Team</td> <td>22k fans (up 3.5%) Engagement 47K (up 18%) Impressions 1.4M (up 11%)</td> <td>40k followers (up 4.7%) Engagement 36k (up 2%) Impressions 2.1M (up 3%)</td> </tr> </tbody> </table>		Facebook	Instagram	Association	65k fans (up 0.2%) Engagement 59k (up 8.4%) Impressions 3.3M (up 1%)	31k followers (up 8%) Engagement 48k (up 2.6%) Impressions 2.6M (up 18%)	Team	22k fans (up 3.5%) Engagement 47K (up 18%) Impressions 1.4M (up 11%)	40k followers (up 4.7%) Engagement 36k (up 2%) Impressions 2.1M (up 3%)
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Fundraising:	<ul style="list-style-type: none"> • Remodeling of the Olympics online structure; adding three new sections under Athletes & Teams to showcase the depth of the American talents in the Olympic Program. • Olympic Alumni Circle & Network – compilation of different sources to create a comprehensive list and directory of Olympians, athletes who campaigned, coaches and supporting staff. • 12-month Development Communication Timeline including the array of primers, TYs, videos and appeals. • One-Year Out Video to celebrate the one-year countdown to the Games and 120 years of Olympic Sailing. • Strategic sessions for US Sailing Foundation were conducted in June with the report from moderator and follow-up actions pending. • Working on improvements to the fundraising database for greater reporting functions and to prepare for the Year End Appeal. Planning for the Year End Appeal is underway. • Search for Development Director ongoing, several highly qualified candidates in the queue. 									
ODP and USST:	<p>July has been a solid training month for most classes, with the Finns training in TX, Stu, Dave, and the Cowles twins in MA, and our other 470W teams in Miami and France. Our 49er squad has regrouped,</p>									

working together in Santa Cruz. Riley and Anna have finally reunited and are joining up with some other Nacras to train in Long Beach. Our RS:X sailors are training separately, in Spain and France.

In mid-July, three teams flew to Italy at the invitation of the Italian Sailing Federation: Steph Roble & Maggie Shea (FX), Andrew Mollerus & Ian MacDiarmid (49er) and Charlie Buckingham (Laser). While we support these training efforts, it is important to note that this training by invitation is very different than the Selection Committee/OSC's decision that it was not in the best interest of the athletes to travel to the Trials, as that would have been a trip mandatory for Games eligibility rather than an individual decision.

On July 23rd we celebrated One Year Out from the Games. Since we cannot be there in-person for recon, we are deep in weather detailing mode to continue learning about the weather/current systems at this time of year and how they impact the six racecourses.

ODP has stayed busy, keeping sailors productive while they sail in their hometowns. Leandro and others have been working with sailors on goal setting and establishing daily sailing logs. Using the US Sailing Team's Rio boats and other ODP assets, we've been able to assign boats to up-and-coming talent starting Olympic campaigns in FX, 470, and 49er. The iQFoilers arrived in the US and are distributed around the country, increasing the interest in foiling.

CEO Summary – Jack Gierhart

Looking back at Q2, I am reflecting on the innovations and shifts we made in response to the COVID-19 crisis. While this pandemic came quickly at the beginning of our busy season, it reconfirmed that when we focus and work together, we are successful. I am immensely proud of the strides the staff and volunteers made during this period to deliver value and relevance to our membership and the sport. We have been successful in implementing change that we have been considering for some time. It has been uncomfortable, and I expect that will continue. Next year we will not look like we do today, and now is the time to assess and reset what we see US Sailing looking like in the future.

Q2 saw the ebb and flow of membership numbers across all categories. Due to course and event cancellations, we saw a decline in membership numbers for youth, family, and keelboat. By the end of the quarter, we gained slight traction with youth membership by moving up the 2nd phase roll out of Skill-Up. June and July are typically the peak in our membership numbers, so we are focusing on lapse and new members acquisition in an attempt to regain some ground. Small teams from various departments are working with membership to create new membership propositions for these targeted communications. The 2nd half of this year will focus heavily on member acquisition by expanding and inviting new people from our core constituents. Our cash in from renewing memberships plus donations continues to outpace 2019.

Bank RI will start accepting forgiveness applications for the PPP Loan once their portal opens in the next couple of weeks. We are planning to apply once this happens and are expecting full forgiveness. Heather and the Directors worked on a revised 2020 budget and cashflows. We are being fiscally conservative in our forecast for the remainder of the year with the goal to end the year cash flow positive, and targeting 6+ months of reserves. Our focus looking ahead will be on generating financial resources by focusing on membership, fundraising and program sales strategy.

Q2 Highlights

- **Shift to Online Delivery:**
 - **Education Delivery:** The Education Team worked tirelessly to quickly shift delivery of courses to the online platform, Canvas. We currently offer Level 1, Reach Educator, Basic Race Management and Club Judge Seminar through a virtual experience. So far, the Level 1 course has seen 1242 registrants with 1175 having completed the online portion of the course. With the rise of COVID cases in certain areas we are re-examining how we schedule the in-person portion. We are looking at the potential to create hubs in certain areas, and testing this delivery at Roger Williams University starting July 25th.
 - **Starboard Portal:** Developed to engage membership and provide a wide range of content that speaks to our different members' interest. To date, we have held 80 live sessions with total lifetime view count being 62,503. It continues to be one of the top 5 most view pages on our website, with 11,461 views in June alone. Part of the live sessions included 7 Online Leadership Forums connecting live viewers to leaders in our sport that shared expert knowledge on how to adapt and evolve their organizations to move forward under the current restrictions. To continue the conversation, we established a Facebook group to promote different sailing communities coming together to share their knowledge and best practices.

- **Safety at Sea:** Expedited completion of final 5 modules covering topics around Fire Safety, Heavy Weather, Storm Sail, Damage Control and Lift Raft & Survival.
- **Youth Racing Central:** Launched at the end of Q2, a new content center specially designed to provide racing resources to youth sailors.
- **Organizational Resources:** Created an [online resource page and toolkit](#) to help member organizations navigate during these challenging times including Return to Water Guidelines, [US Sailing resources for member organization's newsletters](#), and general health and safety guidance from our partners like Gowrie and MTI.
- **Diversity, Equity & Inclusion**
 - The DEI Committee is working on reviewing and updating the strategic plan priority strategy focused on diversity and increasing access to sailing, with annual steps that build towards a more diverse body of American sailors.
 - A DEI Task Force has formed to address immediate actions focusing on generating an organizational resource platform to bring awareness and better educate our organizations and members as well as conducting a diversity audit on our materials and website. Town-Hall panel series will begin in August focusing on DEI practices and applications for clubs and programs. An announcement regarding the panelist will be sent over shortly.
 - The staff created an internal group to provide education and increase awareness to staff surrounding topics such as privilege and unintentional bias.
- **New Leadership**
 - Welcomed our new CFO, Heather Monoson in the beginning of June. She has jumped onboard quickly and continues to enhance our financial processes and procedures.
 - Matt Gallagher was approved by Board of Directors as the Offshore Committee chair.
- **US Sailing Team**
 - Hosted 32 team specific webinars for US Sailing Team and Squad Athletes.
 - Athletes are beginning to actively train across the US and in Europe.
 - Ongoing work and collaboration between staff and volunteers on the Olympic strategic plan.
- **Fundraising**
 - Q2 was not the ideal time for fundraising, but through the generous donation of President Club and Contributing members we receive \$212,000 over the last 3 months. We are looking towards preparing and bolstering our annual appeal to an expanded donor base.
 - We began the search for a new Development Director enlisting the Development Guild DDI to help recruit the best candidate. Interviews are underway and we are looking to have this position filled by mid-September. We are excited to have several well qualified candidates in the running.
- **Siebel:** Expanded to Florida and Pacific Northwest with two new coaches, Mackenzie McGuckin and Michael Cornew joining the Siebel Team. [Check out this video captured by coach Michael of the Siebel sailors of Gorge Junior Sailing on the Hood River in OR taking the RS Fevas out.](#)
- **Race Admin Review:** The Race Admin Task Force is working to strengthen and expand race officials and helping to build better governance.

- **Strategic Review & Updated:** Ongoing work on reviewing the strategic priorities continues; focusing on evaluating key programs in light of impact of COVID-19 and the ongoing needs of the sailing community. Moving towards operational planning to support 2021 budget planning.

We are extremely grateful to our members, who over the past several months, have demonstrated their loyalty and unwavering support. To our dedicated volunteers, Board of Directors, and staff - a huge thank you for your contribution to helping US Sailing shift and push forward. I look forward to furthering our conversation during Monday's board call.

Best,

Jack