

**TO: U.S. MASTERS SWIMMING BOARD OF DIRECTORS  
U.S. MASTERS SWIMMING STAFF  
LMSC LEADERS  
HOUSE OF DELEGATES**

**FROM: ROB BUTCHER**

**COPY: OTHER INTERESTED PARTIES**

**DATE: APRIL 14, 2009**

**SUBJECT: FIRST QUARTER, 2009 BUSINESS REPORT**

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Please find enclosed the first quarter business update for U.S. Masters Swimming. This report is not considered confidential and may be shared.

**D) Membership Services**

Registration: As of March 31, 2009, we had 38,982 registered members. 2009 year to date membership compared to the 2008 same period is up 11%, continuing to demonstrate the membership growth trend. Some might suggest the Olympics have been the membership growth catalyst. While the Olympics provide a recognition bounce for swimming and interest for local swim programs, the Olympics does not promote, encourage or make Masters membership a “must have.” Keep in mind Masters membership is not an obligation. Unless one competes in a Masters sanctioned event or a local Masters program requires it, Masters membership is a choice. Our data shows that in any given year approximately 25% of the Masters membership competes making membership a “must have” for this audience. That leaves a greater audience choosing whether they want to be a member or not. USMS therefore must continue working with and being a proactive resource to our Local Masters Swimming Committees (LMSCs), clubs, affiliated programs, partners and Masters coaches/instructors to strengthen the value of membership and add benefits to membership. In addition, we must continue pressing our marketing and promotion initiatives to drive increased awareness, recognition and acceptance of the U.S. Masters Swimming brand.

Increasing and Strengthening the Benefits of Membership: In the first quarter, we introduced several new compelling membership benefits while also improving the process for the Video Library:

- A. Password protected MYUSMS.org – the idea of creating a “password protected” area of USMS.org had been in discussion well before my hiring. On January 15, we unveiled a password-protected area through MYUSMS.org. The opportunity to set up a MYUSMS.org account is included in Masters membership. In the MYUSMS.org section, members will find several daily posted coached workouts from Masters coaches, the opportunity to post photos and the opportunity to create and post a blog. Previous to MYUSMS.org going password protected, there were 25 registered users. Since MYUSMS.org went password protected, 1,000 members have signed up for an account. We have provided to the Fitness Committee a beta version of the online Fitness Logs that include tools and resources for our popular Go The Distance program. When the Fitness Committee is comfortable with these tools, the Fitness Logs and Go The Distance will be placed into the password-protected area of MYUSMS.org. Once the MYUSMS.org password protected area was introduced in January, we were inundated with e-mails and phone calls from people who had for years had free access to coached workouts on the Forums wanting to know why they couldn’t still receive them. We patiently explained that this was a member benefit and that if you still wanted this benefit, you would need to register for membership.
- B. Member e-newsletter – In the fall, we went through the extensive exercise of developing an identity for the new member benefit e-newsletter (“Member News from Behind the Blocks” is the name of the e-newsletter). We subscribe to a number of e-mail newsletters to watch for best (and even worst) practices. We challenged ourselves (and even now with three e-newsletters published continue to challenge ourselves) on content that should be included in our own e-newsletter: how much?, full features?, short stories?, how long?, how many?, how much on competition?, how much for open water?, how much for fitness?, how much to push sponsor offers?, etc. A communication process was also put in place between the Marketing Coordinator and *SWIMMER* Magazine Editor to ensure we were taking advantage of content without overlapping. What we have learned is that there is an overabundance of companies sending broadcast e-mail communication.

Some companies send multiple e-mail blasts each week. Our belief is sending too much desensitizes the viewer from important messages and is likely to cause high opt-out rates. Our philosophy is that our e-newsletter communication will be content driven. It will be sent once a month and include offers and partner opportunities within. In addition, we will selectively use the e-newsletter service to promote U.S. Masters Swimming events such as national championships. We researched firms that could provide the service, and we signed with Constant Contact as our administrator. Constant Contact offers us fixed monthly pricing rather than a per e-mail charge. We are responsible for developing the content and we distribute it.

C. Tracking Reports for Member News From Behind the Blocks:

Month	Sent	Open %	Click Through %
January	21,111	51%	18%
February	30,248	46%	15%
March	34,008	45%	15%

- Our three most popular articles clicked through from the first three issues were:
  - *Dryland Training: A Non-Specific Approach* by Rich Abrahams
  - *The Greatest Performance Enhancing Supplement: SLEEP* by Dr. Jim Miller
  - *It's All in the Water* by Dr. Jim Miller
- Perhaps one of the greatest indications of our e-newsletter success was the call to action to sign up for an USMS.org Forum account. In the January issue, we promoted Forum registration and signed up 2,000 new users. In the previous 10 years, we had signed up a total of 7,500 USMS Forums users. While the USMS Forums are free, we see the Forums as a good opportunity to educate and promote the U.S. Masters Swimming mission.

D. Coaches e-newsletter – “News from the Deck: For Coaches, By Coaches, About Coaches” is a supplemental, opt-in content e-newsletter also launched in January. It is distributed once a month, two weeks after “Behind the Blocks”. The “News from the Deck” newsletter is filled with ideas and best practices to help Masters coaches and local programs retain and grow revenue.

E. Tracking Reports for News from the Deck:

<b>Month</b>	<b>Sent</b>	<b>Open %</b>	<b>Click Through %</b>
January	1,092	52%	15%
February	1,354	48%	16%
March	1,525	45%	16%

F. Video Library – We instituted a streamlined video library rental process. We viewed all the DVDs to ensure they were working. We then updated USMS.org with all the DVD titles available. We have 60-DVDs available for rent. We changed the cost structure to a flat \$10 rental. We additionally sold the VHS inventory so all we provide is DVD rental.

U.S. Masters Swimming Short Course Championship: As of March 31, there were 590 early entries for the Short Course Championship in Clovis. Compared to previous years, this is considered very good for early entries at comparable dates. There are still 10 days remaining for the meet registration. Historically, we see the majority of registrations come in the last week so our educated guess is that there will be 1,400 to 1,500 entries. We believe the increase in number of early entries can be attributed to two key factors: (1) Clovis plays well to our strongest geographic concentration of membership and (2) increased promotion. Promotionally, we have placed a static event icon on the home page of [www.usms.org](http://www.usms.org), creating convenient front and center navigation to registration. In addition, we have promoted the short course championship in both our member and coaches e-newsletters serving as frequent reminders and call to action.

U.S. Masters Swimming Pool Championships: Our short course and long course pool national championships are two of USMS's most visible assets. They are two of the biggest participant swim meets in the U.S. each year. Our hosts, working with support from the Championship Committee, do a good job operating the championships. There is now a responsibility on USMS to increase our contribution specifically in marketing, promotion and enhancing the event experience that will lead to building of our brand. Starting with the Short Course Championship at Clovis and continuing to other Championships, we will have impactful new sponsor signage.

In the sponsor agreements, it simply states “signage to be provided by the sponsor.” We are going to be proactive in this initiative and over-deliver to our partners while raising the event atmosphere experience. At USMS’s cost, each partner will have a 4’ x 3’ double-sided A-frame sign along the pool deck. In addition, we will have a number of USMS branded A-frame signs throughout the facility. We will also provide consistent looking t-shirts to all event volunteers, and polo shirts to officials. If you attend the Short Course Championship, you will notice other event enhancements as we continue to receive support from our partners. In addition, the meet host has secured FloSwimming.org to broadcast the Short Course Championship live.

The 2010 National Championships have been awarded and the bid packets for 2011 Nationals have already been distributed. I expect that U.S. Masters Swimming will be in a position to accept the financial risk and responsibility for operating and promoting our 2012 short course and long course nationals. We would naturally still need a host committee in each market as part of this model with the host committee being guaranteed a set financial payment for providing volunteers and operational support.

Open Water: A task force (that includes the Long Distance Committee Chair) has been meeting the last several months to discuss our open water strategy. This task force has done and is continuing to do meaningful work in developing a game plan to rebrand, reposition, and enhance the value of our open water events. More details will be shared as they become available with an expectation in the 2010 budget process we will ask for resources to grow our open water initiatives.

## **II) Club & Coach Services**

Club Visits: We are sowing a number of seeds in our club development outreach efforts. We have four primary goals when it comes to club development:

- I. Educate Masters coaches on how they can better retain or grow revenue from their programs
- II. Educate Masters coaches on the benefits of Masters membership

- III. Attempt to secure buy-in to promote Masters membership that in turn allows us to put more resources back into developing programming and resource opportunities
- IV. Plant new Masters programs in areas where there is a motivated coach and access to water

In the first quarter, we made personal visits to the following regions/areas:

- St. Louis Association of Greater YMCAs – There are 17-YMCAs in the St. Louis Association. Some of the YMCAs have established adult swim programs. All 17 aquatic directors of the association were available and asked us to come meet with them sharing the benefits of Masters swimming and how it can benefit their YMCAs.
- Des Moines, Iowa YMCA Association – Des Moines invited us to meet with their seven facilities. After learning more about Masters swimming and how developing a program can benefit their YMCAs, three have agreed to start new programs. The others will come on line once their pools open up and they are able to secure instructors to coach.
- Boise, Idaho Treasure Valley YMCAs – Three of the seven YMCAs have Masters programs operating and the intent is to expand to the other four.
- Winter Park Racquet Club – they registered as a new club and we made a visit to help establish both an in-pool and open water program.
- Arizona – we continue to see enthusiasm and growth under the Arizona LMSC leadership. In the fall we made an initial visit to Arizona and in March we made a return visit to support the LMSC and meet with coaches at their state championship. Arizona now has five registered clubs and is on pace to break 1,000 registered members, a record for their state.

In addition to club visits, we also make ourselves available to coaches, instructors and program directors via phone and e-mail. We have a strong conviction that this type of grassroots outreach, which is new for U.S. Masters Swimming, will continue to have a positive impact on our membership growth.

How To Build a Masters Program: The current how to build a Masters program is significantly outdated. We are in the process of updating with relevant information for today's Masters environment that will then be made publicly available on USMS.org.

Coaches Certification: The last update to Masters certification was in the 1990s. Following up on our December meeting with ASCA, the Coaches Committee is redeveloping the Masters certification Level 1 program. USMS Club & Coach Services is providing assistance and input. The goal is to have Level 1 completed by summer.

SwimFest '09: As of March 31, there were a total of 39 coaches signed up for the May 22-24 SwimFest. A total of 58 swimmers have signed up to participate. We are heavily promoting SwimFest on the USMS.org home page, in the e-newsletters, in the discussion forums and with an ad in SWIMMER magazine. We expect SwimFest to be a terrific platform for coach and instructor development.

### **III) Marketing & Promotion**

Sponsorship: We are focused on activating and further engaging our current sponsors. Many appreciate our proactive outreach. As shared previously, we are providing increased exposure and attachment to all our partners with our national pool championships (our open water series will also have new sponsor opportunities). This will elevate the event experience for both swimmers and sponsors. Sponsors such as Chattem, Speedo, TYR, Finis, Kiefer, Kast A Way and Nike have provided product samples and value-in-kind (VIK) support for the Short Course Championship in Clovis and SwimFest. Most of sponsors now have the new U.S. Masters Swimming logo on their website and are using the logo along with “Proud Partner” designation in their magazine ads. In addition, we have created cooperative programs amongst the partners. For example, any member signing up for the InfoArmor privacy protections service would get a \$25 gift certificate from Kast A Way or Kiefer. The partner thank you page has been updated in both a color and black and white version. It is on the USMS.org website and all regional and local meet hosts are encouraged to include the thank you page in their event programs.

New Logo Introduced: The new logo was unveiled January 8, 2009 when we completely replaced the old logo on USMS.org. The style guide of use and more than 50 different applications (i.e. .jpeg, .gif, .eps, .ai, etc.) is posted at [www.usms.org/logos](http://www.usms.org/logos) for download. We sent the new logo to all of our partners and LMSCs for distribution and use. We continue to

receive overwhelmingly positive reviews and feedback to the new logo. We have additionally solicited the support of the Marketing Committee to proactively search the Internet for all clubs and program websites that have the old logo to replace with the new one. Additionally, those Masters related sites that do not have the U.S. Masters Swimming logo are encouraged to use the new logo and place a link to USMS.org.

Public Relations: Sports Business Daily, the leading publication for sports business professionals, provided nationwide coverage to four of our press releases:

- January 8 – featured new logo
- January 27 – announced InfoArmor as a new sponsor
- February 10 – announced Sarasota as our headquarters
- March 24 – announced Triangle Sports Commission as Community Partner

Our Sarasota headquarters announcement received the most press coverage. More than 20 different local, regional and national publications picked up and printed the news.

March 1 through rest of this year, U.S. Masters Swimming is being featured in a VISA national campaign through go.visa.com. We are the only swimming activity in the VISA promotion. The VISA partnership was developed with VISA's digital ad agency.

Marketing Plan: We have drafted a marketing strategy document. It takes into consideration the resources available to us, both personnel and financial, and our priorities. Much of the strategy has been discussed throughout this report. Our marketing strategies can be broken into three prongs that we are activating:

- a. Online Marketing –ensuring all Masters programs websites are using the new logo, partners have placed the logo on their sites, key word advertising, use of social sites, e-communication, etc.
- b. Offline Marketing –trade shows, creating new marketing brochures/posters for Masters programs, piggy back onto *SWIMMER* magazine to distribute U.S. Masters Swimming stickers, etc.



- c. Event Marketing –creating/sanctioning more events, elevating the presence of event signage, making sponsor signage available to regional and local Masters events, providing VIK support to our event hosts, proactive public relations, broadcast of events on the Internet, etc.

#### **IV) Other Business**

Sarasota Announced as Our Headquarters: We underwent an intensive six-month headquarters search process. Involvement included the board of directors, the search task force, the staff, the compensation & benefits committee and the executive director. We met or spoke with officials in 11 cities that expressed interest. We made personal visits to most of the cities. We exchanged more than 2,000 e-mails and hundreds of phone hours. At the February 7<sup>th</sup> board weekend, the board reviewed the proposals and selected Sarasota. Sarasota was selected for a number of reasons. A local committee of both Masters swimmers and community officials submitted a comprehensive proposal demonstrating community unity in their desire to have USMS.

Tangibly, Sarasota provides access to multiple facilities, the opportunity to work with other Foundations in the area, and a year-round destination that is weather-friendly to swimmers. The process has continued with the executive director making several trips to Sarasota looking at property options. We have narrowed our office selection down to two potential locations and are in lease negotiations with both. It is our goal to have the lease process completed in the spring and begin the physical move in early summer with an anticipated office opening shortly thereafter.

Communication Survey: We have drafted an online survey specifically to measure member satisfaction and expectations for SWIMMER magazine, USMS.org and our e-communication. The results are important as it will set the table for what we do going forward. The results will also allow us to look for trends and opportunities. This survey process has been several months in the making and has involved staff, the Publications Management Committee, Marketing Committee and VP of Member Services.

The online survey will be administered this May to 10,000 random members. To ensure a truly representative sample, we took the following steps with the membership list:

- It was broken into 10-year age groups
- Within the 10-year age groups, the list was broken into gender thus giving us a percent of the total membership by gender within each age group
- Within the gender, the list was sorted alphabetically by first name (for example, in the male 30-39 age group you could have Adam Smith and Adam Young)
- The survey invitation will then be sent to each random sample within each age group that is gender proportionate with overall membership

Communication in General: Many of our new proactive strategies have lead to significant increased communication and service for the staff. For example, each time an e-newsletter is sent it invariably induces hundreds of e-mail responses. Many are “out of office” type messages but there are also many with questions that require answering. Many members respond by sending us ideas, pictures and even video for future content. Online member registration, while a terrific new resource, has significantly increased the volume of customer service related e-mails and phone calls to Tracy. Online registration (that now flows through USMS rather than the LMSC) has also created additional accounting management and tracking for Margaret. Instituting the password protected MYUSMS.org and adding several thousand new USMS Forums accounts has significantly increased the number of inquiry e-mails Jim receives in his webmaster role. Combing through the daily communication sent to staff and responding when necessary is an everyday project that is requiring greater time management and prioritization of responsibilities by the staff.

USMS.org Features: In the quarter, we produced 21 original Features highlighted on the home page of USMS.org. We post a new Feature each Monday and Thursday. The Features are stories of interest we seek out, write, edit and post. A weekly Features recap is then distributed to LMSC contacts and other interested individuals for posting on their websites and in their newsletters. The most popular Features for the quarter were:

- Workouts Available to Members Online
- A Masters Swimmer’s Return to College Swimming

- 1-Hour Postal Championship
- A 20-something's Plea to U.S. Masters Swimming
- Janel Jorgensen: Champion in the Water and in the Fight Against Cancer

Staff Changes: We have been very fortunate since last June to have Ashley Gangloff as a part of our team. She was hired with an Administrative Assistant title and then we changed it in January to the more appropriate Marketing Coordinator. Over the last 10-months, Ashley has served five primary responsibilities: Marketing, Public Relations, Writer, Championships Liaison and administrative support to the board and me. Ashley has also had a desire to further her education while her husband, Mark, wants to continue his professional swimming career. With our move this summer to Sarasota, Mark has decided to return to Auburn to train full time, and Ashley was recently accepted into a PhD program there. Ashley's last full day with USMS will be after the summer nationals in Indianapolis. Her contributions to our infrastructure development and growth have been numerous. We are developing opportunities that will allow her to continue contributing while in school.

On April 1<sup>st</sup>, Nick Florio agreed to join us as Controller. Nick is a Villanova graduate with a degree in Accounting. Upon graduating, Nick worked as a senior accountant in New York for six years. He then joined Chevron-Texaco where he worked for 22 years in a variety of accounting and finance positions before retiring. Nick and his wife Maureen reside in Sarasota. They were high school sweethearts and will celebrate their 35th wedding anniversary this August. They have three adult children, Keriann, Erin and Danny. Most of Nick's professional experience with Chevron-Texaco was overseas in such places as Korea, New Zealand and the Philippines offering him an opportunity to work with many different cultures. While not a competitive swimmer, Nick is a newly minted registered USMS member. Nick has been a Director and Trustee of such non-profits as Junior Achievers and Habitat for Humanity. He and Maureen enjoy tennis and golf, and spending time with their family. Nick is excited and energized to be joining USMS. He will work part time through April and then in May become full time. Nick will become the point, working with Margaret and me as well, in compiling our 2010 budget information. Margaret will continue to lead our audit that will be completed this summer. We additionally have developed a game plan to transition Controller responsibilities to

Nick over the next few months. You can reach Nick at [nclorio@usms.org](mailto:nclorio@usms.org) and via 919-247-2024. Once we get into our new Sarasota office, Nick will have a permanent phone extension.

Community Partner Awarded: At the February board meeting, the board approved the creation of a U.S. Masters Swimming Community Partner designation. The U.S. Masters Swimming Community Partner designation shall be given to localities that commit to increasing public awareness of USMS and supporting USMS's mission of promoting health and fitness in adults through Masters swimming. Community Partners will promote Masters swimming locally by collaborating with USMS to increase programming, awareness, events, and membership. This designation shall last for five years. Localities interested in applying for this designation shall submit a letter of interest with supporting documentation to the executive director. The executive director will then make a recommendation to the board of directors who have the authority to approve the Community Partner designation.

Sarasota as our new headquarters home was awarded a designation. So too was the Triangle Sports Commission (TSC). The Triangle Sports Commission encompasses Raleigh, Durham, Cary and Chapel Hill, North Carolina. In addition to an active Masters community, the TSC has agreed to host the 2010 USMS High Performance Clinic. The USMS High Performance Clinic was last offered five years ago and we are pleased to partner with the TSC to bring back this member benefit.



Respectfully Submitted,

Rob Butcher  
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U.S. Masters Swimming