

THE ITEMS STATED BELOW ARE NOTES OF DISCUSSIONS. VERY FEW ABSOLUTE COMMITMENTS but a sense of where DB-H is taking USAC comes through

About 120 attendees including USA Cycling staff at the Marriott Conference Center

Agenda (Local Association Track)

Changes in Direction of USA Cycling  
USAC's Insurance Program  
Increasing Beginning Racer Programs  
Anti-doping and the RaceClean Program  
Creating and Marketing a Great Event  
LA Agreement and Rebates and Fees  
Race Director Certification  
USAC Developing Tools and Services to Assist LAs  
Increasing the Participation of Women in Racing  
Increasing Beginning Racer Programs

**8:00-9:45 Changes in Direction of USA Cycling, Derek Bouchard-Hall, USAC President and CEO**

- Derek gave objectives of symposium; solve problems, collaborate, develop relationships, increase sense of community
- Perceptions of USAC:
  - o Lack of transparency and collaboration
  - o Overspending on elites
  - o Overpaid executives who are ineffective
  - o Profiteering on insurance
- The good:
  - o 70k members
  - o Large market 7M
  - o CX growing, interscholastic growing
  - o No "post-Lance" collapse of participation
- The bad:
  - o Racing licenses down 1-2%, way below plan
  - o Events down 3-5%
  - o Racer days down 17-20%, very significant
- Financial
  - o Strong financial controls and balance sheet
  - o But the resource allocation is questioned by all....
  - o Natinal champs races are big money losers for USAC NOT self-funding; sponsorships have not materialized o Only major cash supplier is Volkswagen (currently undergoing crisis so at risk as a sponsor)

- o Projection for 2015 is to run a \$1M loss
- o D B-H's view is four major "business" areas:
  1. Membership --dues-expenses: = net gain of \$800
  2. National Championships-: net cost of \$700k
  3. Elite Athletics: net loss of \$1.4M
  4. Other: net gain of \$300k.
- o USAC needs to get sponsors and reduce elite funding
  - USAC Organization (USAC has 54 people total)
    - o Admin & IT: 14 people
    - o Membership programs: 28 people
    - o Elite athletics: 12 people
  - o Ave USAC employee salary is \$62k, only 2 earn over \$125k; "we fly coach"
- o Current USAC operational Challenges:
 

HR processes are deficient; no clear lines of responsibility for core offerings; lack of resources responsible for membership, RD, officials, women cycling, MTB

  - o Some roles are bigger than one person (i.e., Tech Director)
  - o Need to reduce travel, improve IT
- Elite athletics
  - o USAC has good ROI as measured by "medals per dollar," esp. in pro women and BMX
  - o US is only major country with no government funding for Elite (World championship/Olympic)
  - o USAC funnels significant money from amateur athletics to fund elites
  - o Overall underfunded and therefore not competitive in elite men's cycling, USAC stopped participating in elite track
- Many people don't see the value of USAC or sanctioning with USAC,

What does USAC do for the Sport and Racers?:

- o Develops the rules, establishes officiating systems
  - o Administers SafeSport (anti-doping) and other programs
  - o Runs programs for coaches, mechanics, officials
  - o Provides insurance (more Here later)
  - o Is an advocate for the sport, promotes cycling
- o Supports teams and nearly 200 elite USA athletes in 5 disciplines
  - o Runs 13 National races that crown ~800 champions

- Key changes in direction for USAC going forward:
  - o Take a stronger stand on anti-doping; this is the #1 source of feedback. USAC will increase testing at amateur level; try to create “one and done” policy. ( Editorial comment from KH -Nice to see USAC Adopt DOPING SUCKS as its policy position publicly and loudly)
  - o Increase emphasis on women’s cycling. USAC will increase attention, policies such as “min wage”
  - o Increase safety to reduce injury and insurance costs. USAC will study how to reduce accidents, severity, and missed care opportunities
  - o Increase cycling advocacy. USAC will partner with existing organizations
  
- Personnel changes:
  - o Rob Borland, Chief Marketing Officers, will be leaving USAC
  - o Mark Guthart, Tech Director, has left USAC
  - o Chuck Hodge (current Nat Technical Commission chair) has been hired to run the Tech department and he will get another .5 person to help
  - o USAC is recruiting a new HR director
  - o USAC hired a new IT director, Dan Edwards
  
- Other changes:
  - o Rebuilding nearly all IT systems (website, registration, etc) during 2016
  - o Will shift resources from elite to amateur athletics
  - o Seeking more sponsorship and Foundation support
  - o Make Natz self-funding
  - o Work with USA BMX to reduce costs
  
- USAC is seeking to change policies based on Local Association feedback but no guarantees due to budget shortfalls and uncertainty:
  - o Race Director Certification Program . Has been “an unmitigated disaster.” Should be optional. Perceived as a huge burden with little benefit.
  - o Thought is to Reduce one-day license back to \$10
  - o Open one-day licenses back up to higher categories
  - o Increase LA rebates by up to 20% in 2016 (i.e., to \$12/license? NY seeks \$15/license or 20% of license fees)
  - o Increase amateur anti-doping testing and remove need for LA RaceClean contribution

- Q&A:
  - o Does the registration system make USAC money? Yes, USAC's registration system is a source of revenue
  - o Why can't USAC get more sponsorship? The sport's reputation isn't too good right now and USAC doesn't have a good package to sell, e.g., TV exposure
  - o How can USAC change the bad perception of the sport and grow the fan base? Tough problem, USAC needs to govern better and be more effective

**10:00-11:20 Overview of USAC's Insurance Program, Alex Fairly, Executive VP Willis Sports and Entertainment**

- Willis provides USAC's insurance; they are the 4th largest insurer in the world
- Alex detailed all the complications of being an insurance broker for cycling

**(editorial note from KH- This was unquestionably one of the most enlightening presentations of the reality of liability exposure and issues arising in cycling that I, a liability lawyer after all, have ever seen. Those of you operating races under other insurance programs are putting yourselves, your racers, your volunteers and others at risk)**

- Showed history since 2004 of premiums vs claims, all four carriers over that period paid more in claims than they collected in premiums
- Gave many examples of high value claims; serves as a good reminder that "bad stuff happens" and that is why insurance exists to protect our participants when bad stuff happens and to take care of those to whom bad stuff happens.
- USAC has a \$100k deductible (which helps keep the premium down). this means that for smaller claims arising from event operations USAC is essentially self-insured. (if your inflatable banner falls down and hits a little kid breaking his arm USAC insurance protects you from that claim)
- Specifically said "officials are covered"
- Question: is there any way to make it easier to get auto insurance? Most small races don't know who their volunteers/cars/drivers are 10 days for the event! Right now the RDs aren't buying auto insurance because it is not practical. Good Ans: (from

Gordon Wheldon, USAC VP Membership): USAC will do last minute auto insurance for the reason above but it is hard and costly to do at the last minute; insurance co's insist on MVRs. If you need to change vehicles even the day-of-the race be sure to send documentation to USAC before the race starts (i.e., what VIN to remove and what VIN to add).

- Question: is it possible to get only the liability and not the medical? Ans: No, the carriers require medical coverage if they are to provide liability

- Question: where is all this going? What can we do differently? Ans: USAC is going to intervene early on potential large claims.

- Note: an excellent technique for RDs is to add the \$3.60 rider insurance as an additional line item during registration checkout on BikeReg. This allows RDs to increase revenues while keeping registration fees the same. Transferring the cost to the riders also makes it clear what they are paying for! Many events did that in 2015 and had no complaints.

10:00-12:05 **Overview Anti-doping and the RaceClean Program**, Matt Fedoruk, Ph.D., Science Director, US Anti-Doping Agency (USADA)

- USADA is an independent body for drug testing
- Discussed recent testing in the US
- Testing is one part of anti-doping, must include culture, education, deterrents, etc.

- In 2016, RaceClean will:

- o Increase # of tests
- o Increase range of athletes
- o Include juniors and collegiate
- o Increase the use of the "tip line" especially for targeted amateur testing

- The first offense penalty is now 4 yrs
- USADA will expand the biological passport to monitor more indicators

- USADA is working on cheaper ways to test, such as swabbing and blood drop from a finger prick

- 18 LAs participated in RaceClean in 2014 but only 9 LAs participated in 2015

1:15-2:00 **Creating and Marketing a Great Event**, panel led by Rob Borland, USAC Chief Marketing Officer

- Have non-cycling events at the same time (music festival, expos)
- Have a “gimic” (like the Iceman Cometh, or CrossReno paid winners with sponsor casino’s chips)
- Hand out raffle tickets all around town but to win you have to be present at the race
- Find ways to get exposure for your sponsors to help retain them
- Always have a great podium ceremony

2:00-3:00 **2016 LA Agreement and Rebates**, Gordon Wheldon, USAC VP Membership Services and Business Development, with Derek Bouchard-Hall . Bob Stapleton in attendance.

- LA Agreement
  - o Some LA suggested putting MTB under the LAs
  - o Why should all LAs follow the same model?
  - o Gordon summarized updates from draft he made based on comments:

§ Made language for both USAC and LA rights & responsibilities exactly the same

§ Changed quarterly payment structure from percentages of last year to “licenses sold to date”

§ Will remove the arbitration clause since LAs can’t afford to arbitrate and it was superfluous

§ Jurisdiction remains El Paso County, CO.

o There were no objections to the LA Agreement. This has been renegotiated over the past 2 years among the LA's and USAC.

- Rebates to LA from license fees.
  - o The most difficult topic of the weekend...
  - o Advocates for greater rebates argue:

§ In 2003 the LAs were promised 20% of the \$50 annual license fee; hence \$10 was born. The dollar amount hasn’t changed since.

§ In contrast, in addition to inflation USAC’s fees have all increased 33-50%

§ USAC admits that they have funneled millions of dollars in fees, which mostly comes from local races, into elite racing (which Derek promised to redirect back to amateur racing) § USAC also gets \$5.6M (in 2014) annually from license fees and another \$3.3M annually from event permit fees, which mostly come from local races § This is a total of \$9M being

generated mostly from local racing § LAs have received a decreasing amount from USAC due to lower license sales; \$498k in 2012, \$475k in 2011, \$433k in 2014

§ A 50% increase (from \$10 to \$15 a license) would be only \$216,939.50; this is a small fraction of the \$9M we generate

§ Specific example: when USAC increased the annual license fee last year to \$70 they increased their license revenue by \$596k. The LAs did not get a penny of that. § The \$15 amount request was not arbitrary. Some LA's would love to ask for far more

but we understand USAC has financial issues and feel that \$15/license is a fair starting point given the points above

§ Another option would be to just go with 20% as originally promised, which would be \$14/license today, and it would avoid having this discussion for the foreseeable future because it would automatically change with any future change in the cost of the annual license o One LA did not want more money

o PA gave a good argument for why they need more money (they lose \$3k every year) o One LA asked would be the effect of not giving LAs money and

reducing the cost of the annual licenses?

o Derek believes the LAs do great things with the rebates and would do more great things with more money and wondered What governance should be in place to ensure it is well spent? § LAs provide the rebate data to USAC every year

§ USAC offered to publish financial reports for each LA showing how money was spent

**3:15-4:40 USAC Event and Membership Fees**, Gordon Wheldon and Derek Bouchard-Hall . Bob Stapleton in attendance.

· \$15 One-day license fee options; this is perhaps the largest barrier to new riders

o USAC might reduce it to \$10; it would cost USAC about \$180k-200k. Worried about additional losses by people using one-days vs buying an annual.

o USAC might get back the riders that used to buy one-days and now don't race at all o Could leave price at \$15 and let RDs/ or LAs keep \$5 of that

o Could allow former higher-cat license holders who don't have an annual license use a one-day but charge them \$20-25

o Could reduce one-day costs only for juniors

o Carolinas and a couple of other say \$15 is not an issue

o Low fees would help get beginners into sport; maybe up the annual fee to pay for it o Others say "why complain about \$15 or high registration when you are riding a \$10k bike?"

- o Could USAC offer other license options; e.g., a cheaper “Masters license” or provide IT support so people can only use “beginner licenses” 1-2 times?
- o We need to do a better job communicating what the fees are for and why
- o The total amount of money spent is important
- o The total amount of money is not important if presented well

- Permit fees

- o Seem generally ok
- o Lots of discussion about basing the permit fee on the prize list

4:45-5:30 Strategies for Reversing the Decline in Racer Days, Derek Bouchard Hall

- What do we do to reverse the decline?
- Have a road show that goes to national events to advertise cycling and USAC
- Do more to capture non-USAC events like gravel grinders
- Do more to court interested riders like providing beginner info
- Add club rankings to USAC rankings system

Sunday, 18 Oct- LA, RD, & Team Symposium Day Two

About 75 attendees including USA Cycling staff at the Marriott Conference Center. First session was in parallel with a meeting for the professional team reps

8:00-9:45 **Race Director Certification: Proposed Changes and Improvements**, Cynthia Weisinger, Race Director Certification Mgr

- Strong acknowledgment from DBH that the RD program is broken
- USAC Proposes to make the Level C (local RD) certification optional for 2016 as a stop-gap measure. That idea had very little opposition
- o Lots of discussion on merits of training new RDs vs. mandating training for experienced RDs
- o USAC doesn't have the right educational material now

- There are 2 major demographics for local RDs:
  1. Experienced RDs who put on the same races on the same weekend year after year. To them (most Idaho RDs) the RD program is a big annoyance
  2. Truly first time beginner RDs: USAC could offer a lot of valuable help and education to these RDs.



- Some experienced RDs put on low quality or even dangerous events
  - o Will the RD program really change that behavior?
  - o Could USAC (re-)institute CR reports that CRs can review a year later to help prevent recurring problem?
    - Suggestions for educational materials:
      - o How to interact with Chief Ref
      - o Course Safety
      - o How to set up registration
      - o How to manage events
      - o Time-phased checklists for RDs (e.g., what to do 1 yr out, 6 mos out, 1 mo out, 1 week out, day before, day of, day after, week after)
      - o USAC could put this all into a “RD Manual”; many LAs offered their versions
      - o USAC could provide an outline for a “Tech Guide”
      - o Focus would be on truly beginner RDs and experienced RDs who are new to USAC
      - o USAC will post resources on the RD Association page; access for certified RDs
- Should there be a set of standards to be a USAC event?
  - o Suggest “event of the year award” or “RD of the year” award
  - o USAC seeks to establish a level of quality for USAC-sanctioned events
- Return to the main issue: mandating barriers such as worthless annual CEUs for experienced RDs who are volunteering year-in and year-out to put on a local race
  - o Some felt the rules change webinar should be required for RDs every year

9:45-10:45 **USAC Developing Tools and Services to Assist LAs**, Gordon Wheldon

- Officials Assignment Tool (OAT)
  - o A majority of LAs use Chris Constantino’s OAT, the rest use USAC’s. A few use their own system; e.g., a Google Doc
  - o Detailed discussion on features an OAT should have; handle draft schedules, roles, privacy, usability, APIs to access info, etc.
  - o USAC clearly would like everyone to use a USAC OAT but realizes their current tool doesn’t meet our needs
  - o An API to the USAC tool(s) would help to get import/export data from other tools
  - o The OAT is on the list to be replaced; an API is a requirement for any new USAC tool

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- Request for a tool to help manage series points
- o Most people use Excel
- o Low priority
- Request for tool to help manage race-day registration
- o Options include: Crossmanager, other home grown tools
- What data/demographics would the LAs like from USAC?
- o Riders and clubs that didn't renew their licenses so the LA can market them directly
- o Give us an API and/or a report writing tool so we can generate our own reports from the USAC data
- Request for a tool to help LAs email their riders
- o Many LAs use MailChimp or ConstantContact
- o Would always have current data
- o Allow us to select which riders to send email (e.g., "send to all active junior riders")
- o Since USAC already has this ability it should be "easy" for USAC to make it available to the LAs
- o Alternately, USAC could send out the emails for the LAs (the LA composes the email and specifies who to send it to)
- o Bob Stapleton (Chairman of the Board of Directors): USAC will deliver this by the end of next year.
- Request tools for LAs/USAC to produce co-branded joint marketing materials to hand out
- USAC could provide or produce branded materials such as:
  - o USAC banners
  - o Podium
  - o Magnets for pace/follow cars
  - o Advertising templates

**10:45-11:45 Increasing the Participation of Women in Racing, Panel discussion** led by Gina Kovacs

- Female mentors are important especially to beginning riders

- Create a closed FB page for women-only to communicate
- Having as many women-only fields as possible; especially Cat 4 only, or Cat 3-4 Women's Masters fields
- Challenge is some fields have very few (5-10) riders
- Most important to create a safe, supporting, welcoming environment

**11:45-12:15 Increasing Beginning Racer Programs (BRP)- Growing the Racing Community**, Kevin Dessart, Coaching Education and athlete Development Director

- Is an optional series of 5 clinics to teach new riders racing skills
- Most skills clinics are for beginner riders and taught by USAC licensed coaches
- BRP is different; BRP is for intermediate racing skills
- Coaches must (eventually) be a Certified Skills Instructor to teach BRP
- Consists of 5 clinics, each clinic has on-bike instruction, a mentored race, and debrief

1. Protect your front wheel
2. Cornering
3. Formation/anticipation
4. Sprinting
5. Putting it all together

**12:15-12:30 Closing Comments by Derek Bouchard-Hall and Bob Stapleton**, Chairman of the Board

- Bob expressed his thanks to the attendees, their passion, and shared his optimism for the future
- Derek expressed his desire for openness, transparency, and requested respect to his staff as they respond to criticism and implement changes
- Derek summarized the symposium and way forward for USAC and the sport of cycling
- He and his staff will now digest the feedback and provide policy proposals in 2-4 wks for review.