

Members of the USAFHA Board of Directors

As we close out 2014 I am happy to report USA Field Hockey has had another very strong year. You are aware of many of the details but in summary it looks like this. We are at record membership levels, we have reached a new high in revenue, our WNT finished 4th in the WC and won the CC, our MNT completed a winning set of results over the summer, we continue to build our umpire and youth development programs and are underway with our new coaching programming. All great headlines and a result of a huge amount of hard work by our staff. We have really assembled just a fantastic group of folk who are experts in their field, and are so committed to being individually and collectively successful. I am proud of what we continue to achieve.

However, USAFHA and the sport of field hockey within the United States are approaching a crossroads in which the Board will need to help plot a pathway for the short and long term futures of the sport. Whilst we do have a 2020 strategic plan in place, much has changed since its approval. The changing environment is multifold. The three basic areas of concern are:

- Competition in the event production marketplace due to the success in growing the sport over the past several years. Several third party organizations plus the coaches association are entering the event production business. Their entry will surely erode the resource developed by USAFHA events; the same resources used to underwrite programming in USAFHA.
- For years, this organization has been basically a one-trick pony as most resource is developed through event provision. We need to diversify with emphasis on the sanctioning of third party events, membership development, educational offerings, and, a big one, getting the national teams involved in revenue production by conducting clinics, putting on events, and competing in more events at The Nook and other places that can be ticketed.
- Be in-tune with the FIH as it undertakes whatever metamorphosis required to be marketable and contemporary in the IOC's eyes to preserve Olympic programme status.

Competition in the event marketplace. We have been seeing in the past several months a number of third party entities coming to the fore with event production competition. We have been speaking to those groups as they arise. One group in particular is the *National Field Hockey Coaches Association*. Here are excerpts from a recent letter written to their administrators that describes the situation between us and any other third party group which intends to organize events on top of our events:

Today I learn with significant alarm of your partnership with CSE and plan for a “*creation of a national recruiting tournament series for high school club field hockey teams.*” This has the potential to significantly and negatively impact our programming, and be very damaging to our sport.

USA Field Hockey exists to *grow the game and win internationally*. We are responsible for raising the significant funding required to operate our National Teams, as well as devote resources to development programs for coach education, umpire and youth development. We operate an \$8.5m budget of which just \$400k is provided by the United States Olympic Committee. \$8.1m we develop ourselves through our commercial hockey programming which is almost entirely based around Futures and our Events portfolio.

Each National Governing Body in the Olympic movement is different. Through tradition and our sport's unique culture we have developed into the main *event producer* for the sport, a responsibility we take very seriously. We strive to put on national and regional recruiting opportunities for aspiring collegiate athletes. This effort is well established in the hockey community. Further, we put on an extensive Olympic pipeline program – Futures, and have done so for three decades. This program serves two purposes: to identify and develop elite young athletes, and to provide surpluses that we can invest into our National Teams and development programs.

To operate our High Performance programs costs \$3m a year. Our Women's National Team have never been better resourced with an incredible new facility and an extensive coaching and support staff that is the best in the world. Our 4th place at the FIH World Cup, and our rise up the World Rankings are evidence of this.

We are responsible to grow the game. We invest \$500k per annum in this area. We have committed to a Coach Education department and appointed Liz Tchou to lead this area. We are very excited about the resources we will be able to provide to the coach community going forward. We continue to invest in Umpire development in programs directed by Steve Horgan. And we are committed to attracting new athletes to our sport with programs such as Fundamental Field Hockey (which sees 250 programs annually in place to give kids the first experience with a hockey stick).

I share this so that you can understand our perspective. The entrance of private sector competitors in the showcasing event production business is changing the marketplace. As we enter 2015, we were anticipating some erosion of our market share in this sector. However, we did not expect what we consider a key partner in the sport, the NFHCA, to compete against USA Field Hockey. In fact, the way I am led to understand this initiative is that if successfully implemented, it would compete initially in the key April window, where recruitable athletes have traditionally trained in Futures programs. This will inevitably detract and discourage athletes from participating in Futures. Furthermore, athletes and clubs would likely erode away from the USA Field Hockey provided club activities in the summer in the Regional and National Club Championships.

I make careful note of your comment "*Players will have events that are nationally recognized and they will not be beholden to the overabundance of other tournaments and events that are out there. These will be the premier events and, once established, coaches and athletes alike will find they would be remiss in not attending. Furthermore, both coaches and student-athletes will be saving money and valuable time.*" I am not sure how to read this and would like to hear further of your perspective. I have already received feedback that this is to be interpreted as a direct attack on USA Field Hockey.

Field hockey is a low participant sport, something we are doing our best to address, however this is a reality. The size of the market place for providing programs and services for recruitable athletes is accordingly narrow. If your new programming were to take away dollars currently spent with USA Field Hockey, which I think any reasonable analysis would suggest be the case, then our programming would be adversely affected. The net income we generate from our Futures and Events programming is the resource that we invest in our National Teams and development programs. The adverse impact on our sport that this initiative represents is extremely concerning.

One trick pony The event production competition's competition has become a predictable threat to the organization and, unfortunately, we have allowed ourselves to become highly reliant on one source of income over the years. Our model is vulnerable to this threat and there is a need to diversify. There are several ways to begin and we have started on two of the pathways. A couple of years ago we started **sanctioning** third party events. **Sanctioning** means that the events have to meet certain standards; could use our insurance to protect event producer assets; protect athletes; and meet municipal insurance requirements....and also meant that each participant had to be a member of USAFHA. That program is very slowly growing. But, it needs more emphasis. The more events means more places to play and that means the pool of participants grows. A second pathway we have embarked upon is the enlargement of the coaching certification and educational programs. Liz Tchou has been appointed coaching education senior manager and Liz is working closely with a USAFHA task force and the USOC to roll-out new educational products in the near term. **Attached** is a thumbnail of her progress to date.

In-tune with the FIH It is not a secret that the *International Olympic Committee's* programme vote of last year hit a nerve within the global hockey community. Hockey's status on the Olympic programme was threatened due to poor IOC driven metrics revolving around marketing (particularly on social media) and the commerciality of the sport at the *London Olympic Games*. This is a huge deal and one that the FIH is taking seriously to the extent of looking how the game is run to better accommodate all types of media. Just because the attendance in London was stellar doesn't mean that the IOC criteria were met and the FIH is staging a *Revolution* to resolve the IOC issues. The *Revolution*, over time, will speak to the new approaches and we will be a big part of it all.

Attached are two Power Point documents developed to (i) illustrate some of the issues the Board needs to discuss relative to the competition in event production that is now at our doorstep, and (ii) an attachment with a set of thoughts oriented around the commerciality of national teams.

To summarize, the only certainties in life are death and taxes...and change. USA Field Hockey is at a crossroads and the choices, actions or inactions we take now will determine our future. I encourage these three items to be the centerpiece of our focus as we gather together after Thanksgiving. 1) Sustainable future, 2) Diversify, 3) In tune with the FIH.

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From: Steve Locke
Sent: Wednesday, November 12, 2014 11:09 AM
To: "Gregg Zelkin" (resp5af3@verizon.net); Rene Zelkin
Cc: Simon Hoskins; Janet Paden
Subject: Thoughts for Nov Board Agenda

Rene'

In doing our best to make USA Field Hockey successful...and doing our best to guide and be a resource for our Board to make informed strategic choices – can I suggest we add two important agenda items to the November Festival Board Meeting agenda?

1. USA Field Hockey, our business model and a changing marketplace.
 - a. overview
 - b. how will we generate income going forward with our traditional programs under threat.
 - c. what changes should we make in the short term in 2015
2. Sharing our Women's National Team with America
 - a. 2015 proposed program to have ticketed and televised WNT games at the Nook

The first session in my mind should be the essence of the whole board meeting.....obviously, everything is secondary to this. (min of 2 hours?)

The second session I think it is good and helpful for the Board to see that we do have a focus on promoting and commercializing the WNT, and have a real program to crack this nut.

I have attached draft outline pdfs that Simon has developed for both topics.

Prepare for snow

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Where Olympic Journeys Begin