



**DATE:** September 1, 2023  
**TO:** USMS House of Delegates  
**FROM:** Dawson Hughes – CEO  
**SUBJECT:** **2023 CEO Report to the USMS House of Delegates**

---

2023 has been a year focused on implementation of new strategic priorities, namely club and event development, to grow the number of clubs that offer Masters programs, increase the capacity of current clubs, and offer more traditional USMS events. We’ve also challenged volunteers to focus efforts locally to include further development of their local Masters communities. These initiatives are designed to grow the traditional USMS membership, which is also traditionally how we gauge success in meeting our mission.

USMS remains healthy financially and operationally, and membership has improved slightly in 2023. USMS event participation will increase this year at local and regional meets. We held the largest Spring National Championship in USMS history and College Club Swimming reached its largest membership ever during the 2022-23 season.

Nevertheless, many of the challenges the organization has faced for many years persist and remain barriers to growing USMS membership on a sustainable basis. Those barriers also present business challenges that must be addressed in the coming years and will likely require new concepts and approaches in pursuing the USMS mission.

This memo will cover successes in meeting our mission, identify challenges that will require attention, outline possible shifts in philosophy and innovative ideas on how to pursue our mission in the future, and provide an overview of what to expect in 2024. The [2024 Business Plan Assumptions](#) are provided as a preview of next year’s budget that will be finalized by the Finance Committee and Board of Directors in November.

Traditional USMS membership has always been the primary metric to gauge success in meeting the USMS mission and business objective. The table below of various participation metrics provides a more wholistic view of USMS’s engagement. The membership number is important particularly from a business perspective as it represents 75% of USMS revenue. However, it only tells part of the story of USMS’s overall impact. Please keep the various ways swimmers can engage with USMS in mind as you peruse this update.

	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>	<u>2023</u>
<b>Traditional USMS Mememrship<sup>^</sup></b>	<b>59,796</b>	<b>51,352</b>	<b>51,132</b>	<b>56,018</b>	<b>57,000</b>
<b>Unregistered swimmers in USMS Clubs*</b>	<b>24,690</b>	<b>15,079</b>	<b>7,672</b>	<b>18,514</b>	<b>21,000</b>
<b>College Club Swimming</b>	<b>5,300</b>	<b>1,563</b>	<b>1,567</b>	<b>6,700</b>	<b>8,034</b>
<b>One- Event Registrations<sup>^</sup></b>	<b>2,015</b>	<b>21</b>	<b>1,571</b>	<b>1,747</b>	<b>1,750</b>
<b>Total Trackable Mission Impact</b>	<b>91,801</b>	<b>68,015</b>	<b>61,942</b>	<b>82,979</b>	<b>87,784</b>
<b>*unregistered swimmer data is self reported during club registration.</b>					
<b><sup>^</sup>2023 membership and one-even registrations are projected year end totals.</b>					



## 2023 Successes

**Membership:** Although USMS membership will not reach the budgeted level, it will grow by about 1.5% to approximately 57,000 members. Since there has been growth, I'm classifying this as success. Yet challenges remain that will be covered below. Membership nationally will be up slightly this year but there are a wide range of results at the LMSC level. Several of our largest LMSCs are flat or down in membership, which has an overweighted impact on the national results, and others are up significantly (e.g., Michigan LMSC is on track to add 150 members, a 15% increase, and potentially it's highest membership total ever.)

**Club Development:** The newly created club development effort has begun to show momentum in recent months. Nearly 100 potential new and current clubs have been in communication with the club development staff since we began this strategic initiative. Of those, 71 are new clubs looking to get started for the first time. Staff are tracking incremental membership increases from the point of initial contact. Thus far 53 clubs (30 new, 23 current) have resulted in 707 incremental additional members (550 at new clubs, 157 at current clubs). It is important to note that we have connected with half of the potential new clubs for the first time in the last few months and many of them are in early development with plans to launch in the fall or early next year.

Eleven clubs have thus far qualified for financial support (six funded, five pending), with six of those (four funded, two pending) receiving matching funding from LMSCs.

We have learned (confirmed what we already knew) that clubs need a coach and/or club leadership with an entrepreneurial spirit, that are willing to put their skills to use for little financial reward, for successful club development efforts. This is even more pronounced for start-up clubs. Identifying those coaches and club champions, in the right geographic area, with a facility targeted for Masters programming, remains perhaps our largest challenge. Club development efforts also take time. Six months seems to be a typical time frame from inception of the concept to launch of a program. It often takes longer.

**Event Development:** Typically, 30% of USMS members participate in USMS events annually but that participation has been lower in recent years, mostly due to reasons out of our control. But with the short course season upon us, USMS is on track for an increase in participation (year-to-date, unique-member participation is already ahead of 2022) and should return to our traditional percentage of members that participate in events. Some of this increase is due to hosting the largest USMS Spring National Championship ever with nearly 2500 swimmers and a large USMS Summer National Championship with 1200 swimmers but the increased interest reaches beyond just nationals.

USMS has also implemented the [Event Development Program](#) which in many ways mirrors club development. Thus far there have only been seven grant applications and one event has been awarded a grant. This relatively low number indicates that



adjustments may be needed, or perhaps funding isn't the primary challenge to hosting sanctioned USMS events. We have also successfully supported marketing for several events. The grant that has been funded is for a first-time event at the University of Rhode Island and is a partnership between CCS and USMS locally, with the CCS club taking the lead on hosting the event and targeting 300 swimmers in their first year. We'll be sure to share the outcome after this event after it takes place in November.

**College Club Swimming:** CCS is beginning to achieve the potential that was envisioned by the original Advisory Board and USMS staff back in 2016. With 8,034 registered CCS swimmers, 179 CCS clubs, 1772 swimmers at CCS Nationals, and four CCS Regional Championships averaging 520 swimmers each, the continued interest and growth in participation in CCS is a great sign for the future of USMS. Tracking CCS swimmers through to USMS membership has proven difficult with separate registration systems and many CCS swimmers using different email addresses post-graduation. After manual analysis of CCS registration and USMS membership reporting since the launch of CCS (2017-18 season), we've determined that there have been over 22,000 unique CCS swimmers and nearly 1400 (6%) of those have at one point been a USMS member. This serves as a baseline for USMS to improve upon as CCS becomes a more mature organization and we evaluate initiatives to better engage with these swimmers post-college.

**[Note:** We don't collect CCS addresses since they change so often for those in college. We plan to start bringing CCS data into the registration system for incremental reporting improvement and will continue to evaluate ways to connect individuals through their CCS and USMS accounts in the future.]

**USA Swimming and USA Swimming Foundation Partnership:** USMS and USA Swimming have had a strategic partnership going back to 2018, designed to grow the sport at all ages and complement each other operationally wherever possible. The partnership with USA Swimming and the USA Swimming Foundation has continued to expand this year. 2024 Spring Nationals will be held in Indianapolis and will overlap the last weekend of Olympic Team Trials – Swimming. A great deal of planning has gone into providing USMS members unique experiences as part of the meet. USA Swimming hosted USMS at their annual Workshop (similar to Relay) to promote the value of USA Swimming clubs operating a Masters program as part of their overall swimming community. USA Swimming has also [distributed information to their coaches](#) via their monthly newsletter. The Foundation started to operate our annual Adult-Learn-to-Swim grant program and the corresponding donations in 2021 and continues to do a great job. USMS representatives on the USA Swimming Foundation Board of Directors have been involved in strategic initiatives including the USA Swimming Foundation auction fundraiser that is part of the annual Golden Goggles event and the development of facility support plans. USMS has introduced Foundation staff to USMS members that



are helping to support the Foundation's Make-a-Splash and fundraising initiatives and further integration will be seen at USMS national events in the future.

## USMS Operational Infrastructure

Digital: USMS's membership database was successfully transitioned to Salesforce in the Spring, and now houses all information, financial transactions, and supports membership and club services and communication. This marked the unofficial conclusion of the digital transformation project. There is still work to fully implement all the functionality envisioned but USMS staff now operates its core technology functions of the day-to-day business on platforms capable of adjusting to our future needs and that can be managed by non-technical staff.

Office Lease: Since the start of the pandemic, I've opted to provide staff with as much flexibility as possible regarding their primary work environment and location. This has been helpful to the organization, allowing us to retain the quality staff and recruit from a much broader pool of candidates. While some companies have opted to return to the office, the flexibility we've provided is often cited as one of the top benefits of employment with USMS. Remote work also fits well for many staff members who work non-traditional hours (weekend events and meetings, evening calls, travel, etc.) and those with young families who have been able to work closer to their families that support childcare needs.

Because of this shift in recent years, the office space we leased was underutilized, so we asked our property manager to work with us on exiting the national office space lease early. Early this year a potential tenant was identified, and we officially moved out of the physical office space on June 30. This will result in savings of approximately \$90,000 total over the next two years (there are not significant savings in 2023 due to the costs of exiting the lease and moving out of the space). We partnered with the Sarasota Sharks to provide office space for staff members in the Sarasota area who may prefer to work outside of their house or want office space on occasion. This partnership is a short-term test that may turn into a more long-term solution. We also have several meeting spaces available in Sarasota that are provided to non-profit organizations free of charge.

## Ongoing Challenges

**Total Membership:** Going back to 2010, USMS membership has ranged from 55,000 to 66,000, with 10 of those years between 55,000 and 63,000 members (and 2 pandemic years at 51,000).

Many ideas have been tried to break past this plateau. The **Coach Education Program** was originally developed to train coaches to create more clubs. The number of registered clubs improved but didn't have a lasting impact on the number of adults swimming, or more specifically the number of adults swimming **and** registering with



USMS. **Adult-Learn-to-Swim** efforts were originally considered as part of an overall effort to create more adult Masters members. It was recognized that ALTS is a worthwhile program and while a small percentage may continue their swimming journey, the jump to regular training with a Masters club is unlikely for most. We developed the **Try Masters Swimming** campaign, which has evolved over the last seven years. Technology and targeting improvements and more focus from participating clubs to ensure the experience is positive have been met with mixed success. The number of trial forms submitted has been positive (in the thousands annually) but the number of members tracked back to the program is lackluster for the effort. These, among others, have all been efforts at encouraging more adults to swim for fitness and competition. All have created awareness about Masters swimming and have led to some memberships, but none have had the impact necessary to overcome the longstanding challenges covered below.

**Retention:** USMS has on average renewed 68% of its annual membership throughout its history and will be slightly higher than that in 2023. In fact, going back to [1984](#), [USMS Board minutes](#) note the that “About 30% of registrants fail to renew.” After a record high of 65,778 members in 2016 and 64,000 in 2017, USMS has plateaued with membership in the range of 60,000 members since 2018, pandemic years notwithstanding. At 60,000 members USMS must replace nearly 20,000 members simply to keep membership steady. (In 2017 and 2018, the two years following the best year of USMS membership, we lost 21,478 and 21,457 members respectively.)

For many years, the three age groups corresponding to late-stage baby boomers were the foundation of our total membership. In fact, in 1990, they represented 54% of total USMS members. This group remained dominant in our membership and continued to grow for the next 25 years although their percentage of total membership declined as we continued to attract younger members. However, their numbers peaked in 2016 along with USMS membership. Since that time the count of members from their age groups has been declining at a rate much higher than the rest of USMS. In fact, the three age groups represent nearly two-thirds of our membership losses since our peak in 2016. The reasons for their declines are probably due to lifestyle changes as people approach retirement but their historical importance to USMS membership creates another significant challenge in maintaining our membership totals.

The national office staff is keen to address retention issues and suggestions such as automatic renewal ([which also goes back as far as 1984](#)) will be implemented as an option in 2024, for 2025 renewals.

However, retention most often happens at the pool. The club, event, and community experience for most swimmers is what keeps them coming back.



**New and Returning Members:** Since 2010, new membership has ranged from 12,000 to 16,000 and the number of returning members, those returning after more than one year of lapsed membership, has ranged from 5,000 to 6,000 annually.

**Club Expectations:** In recent years, during annual club registration, we began surveying clubs on the number of swimmers in their programs (versus how many USMS members swim with their club). Responses indicate that more than 75,000 or more adults participated in USMS clubs around the country, and that only about 75% of USMS club swimmers join as members of USMS. Our primary benefit for clubs is USMS General Liability Insurance but many clubs have insurance available through their facility (city or county recreation department, university, etc.) or find private insurance. The USMS brand is also a valuable benefit to clubs, providing credibility, marketing, and access to swim as a club at USMS events. We provide these benefits for \$70 per year with no other expectations of the club. In 2018, USMS added the Gold Club initiative to place more direct marketing behind these clubs that fully participate in marketing campaigns and to incentivize them to require membership. This initiative was also designed to use our limited marketing resources more wisely (e.g., directing swimmers through Club Finder to clubs that don't expect membership has zero financial return for USMS and doesn't provide insight into what strategies are working).

The historical consistency of these challenges must be part of our planning. USMS can view the number of swimmers participating in USMS clubs as a mission success, but it will likely remain a barrier to growth in our traditional membership model. We should continue to work on improvements but also must assume dramatic change isn't likely. Attracting new members will primarily be accomplished through increased capacity by creating new clubs and more opportunities for new swimmers at current clubs. The collective challenges outlined suggest USMS may need to consider that our current membership model limits our capability to grow membership much beyond 60,000-65,000, without significant adjustment in how we operate. To reiterate, that doesn't mean we shouldn't continue to try.

**Club Development:** As mentioned previously, clubs are the foundation of USMS membership. Unfortunately, wide swaths of the U.S. population have no easy access to a USMS club from their home or work. Our club development initiative is targeted to address this problem and increase the numbers who have the opportunity to get the benefits of USMS membership.

Current staff club development efforts are on track to meet first year expectations. We have targeted generating 2,500 new members from this program annually, with a two-to three-year period to ramp up a pipeline necessary to reach the target. Clubs do not start and grow overnight. It takes a coordinated plan to negotiate pool space and costs, build a business plan and budget, market the program, and get workouts started. The staff is available to support and advise on each of those efforts. In some cases, we can provide a clinic to help introduce swimmers to the club. Coach certification opportunities are also available when helpful to the overall plan.



WE NEED YOUR HELP! Two staff members are dedicated entirely to this effort, but to be successful, they need your local knowledge of facilities that have the potential to support Masters programming and potential coaches for them. We're not asking you to manage this effort from start to finish, simply to provide leads, information, and/or contacts that can get staff started. Gaining insight into facilities, potential coaches, and prior relationships, that may already be available from local stakeholders, creates efficiency and allows them to focus on the process, rather than hunting for opportunities. [Details can be found on the Club Development page.](#)

Some volunteers have mentioned that we seem to be focused on building larger clubs. They are correct. National resources must be focused on initiatives that have a return on the investment of time and money. Clubs with 75 or more members are more likely to remain viable long term, have higher retention rates, and provide opportunities for more to swim with more workout options available. Importantly, they also provide the ongoing membership revenue stream that is necessary to repay the national investment in helping create them.

Many of you swim with smaller clubs and see the value in them. We do too! Clubs that don't fit the national club development program requirements are a perfect fit for LMSCs to support locally. You're welcome to use our grant program as a guide to a smaller localized effort. The national office staff is also happy to provide the same advice, guidance, and turnkey marketing strategies we are providing for the national club development program.

**Event Development:** As with club development, we need your local knowledge and support to add new events and grow those already operating. Even if you don't feel a grant is necessary to support events in your LMSC it's worth contacting the national office event staff about how we may be able to help with marketing. If you feel your LMSC can't host events of the size contemplated by the event development programs, your LMSC can always provide local financial or volunteer support and contact the event staff as they can help with creative ways to grow participation without national grant funding.

I hope all LMSCs will send the appropriate representatives to [Relay 2023 to learn more about event development opportunities and initiatives.](#)

## Looking forward to 2024 and beyond

Nationally, USMS will be focused on several major initiatives:

- 1) **Club and Event Development**—Both will continue to mature. 2024 will mark the second full year of these strategic priorities and we'll see the results of the groundwork laid this year. We hope to have greater local involvement in
- 2)



- the form of matching grants, local knowledge, and collaboration on how best to provide support to clubs and events.
- 3) **Independent Swimmer**—The development and possible launch of an Independent Swimmer product to provide services to support swimmers and small groups that may not have access to a USMS club, coach, or event. The plan is to leverage and package existing USMS capabilities and resources to enhance independent USMS members' daily training experience and connection with the wider USMS community. Scoping is underway for this project with an optimistic goal of a summer 2024 launch, aligned with the timing with the Olympics.
  - 4) **Summer Marketing: Trials and Olympics**—Interest in swimming increases every four years around the Olympics. USMS has been able to capitalize on this interest in recent cycles by increasing our marketing efforts. We'll have a presence at U.S. Olympic Team Trials - Swimming in Indianapolis (in conjunction with USMS Nationals) and a marketing strategy in conjunction with the Olympics timeframe.
  - 5) **Grown-Up Swimming**—The potential acquisition of [Grown-Up Swimming](#) is still being finalized but we're in the process of due diligence to purchase the brand, intellectual property, and hire the current owner to scale up Grown Up Swimming leagues across the country. This opportunity would allow USMS to create a new type of swimming and social experience to appeal to a different demographic of adult swimmers, one that prioritizes the fun over competitive racing and results. Think summer league swimming, for adults. Grown-Up Swimming is viewed as a great opportunity for former College Club swimmers, younger members with career and family obligations that make USMS a challenging commitment, and those simply looking for fun events through which to expand their swimming community. I encourage you to peruse the website and, if you're interested, [schedule a time to meet with me to discuss](#).
  - 6) **Digital Updates**—We'll continue to improve on digital infrastructure with plans to launch the updated sanctions process and event calendar early next year, capture more member and program data within Salesforce to improve reporting functionality, and offer improved digital content experience for members in the next month.

Our traditional USMS membership model will remain the foundation of our organization. If our club development effort is successful in helping establish programs in areas where we are weak, that traditional model may yet see significant growth. However, the affinity members of the late baby boomer age groups have for our traditional USMS membership experience is unlikely to be repeated. It hasn't been in the last 40 years. To continue to pursue our mission and attract new generations of swimmers, we must have an organization that is responsive to their needs and values rather than expecting them



**U.S. MASTERS  
SWIMMING**

to adapt to ours. While I have presented several challenges in this message, I am excited to work with you to take them head on in the continued evolution of USMS into an organization that is exciting to current and future generations.