

Membership Task Force Initiative

The proposal by the Membership Task Force was approved at the Jan. 28 meeting of the USA Water Ski board of directors. There are clarifications and pertinent points in this article to help with the understanding for our members.

USA Water Ski has experienced a continual, gradual decline in its membership during the previous 10+ years. USA Water Ski is a membership organization that relies on a strong, consistent membership base in order to provide support for and services to its nine sport disciplines.

With declining membership, USA Water Ski has less value to prospective and existing sponsors and experiences reduced relevancy within the water sports industry. Not only has our membership revenue declined over these past years, our sponsorship revenue has also declined consistently. Declining revenue makes it very difficult to take steps to upgrade the organization and provide better services and functionality for our members.

It is time to take bold steps and make a concerted effort to reverse these alarming trends.

Following recommendations by USA Water Ski Board of Directors, former President Jim Grew appointed a Membership Task Force in 2016 to recommend solutions, asking the group to look at all aspects of membership decline, potential growth and member retention. Larry Meddock, an industry expert, was named as Chair and task force members were chosen who were connected to different sport disciplines.

Larry Meddock, Chair

Doug Robbins, USA-WS, AWSA

Tim Cullen, USA-WS, NSSA

Gordon Hall, USA-WS, AWSA, NCWSA

Samantha Pinkerton, USA-WS, NSSA

Kurt Schmelzer, USA-WS, AKA

Jeff Surdej, USA-WS, AWSA, NCWSA

Taryn Garland / Michael Newth, HQ Staff (USA-WS, AWSA, NCWSA, NSSA)

Jim Grew, Advisor, USA-WS, IWWF, WSDA, AWSA

Bob Crowley, Advisor, HQ Staff

The Task Force reviewed many causes and potential solutions for the problem. It was determined that **we must increase our base membership numbers**. This is the most important challenge we face for sustainability and relevance. To create a meaningful increase in membership, the Task Force decided that the key issues are:

- A. Achieving organizational relevancy within the industry and gaining industry support
- B. Creating a member value proposition.

It was determined that it is critical at this time for USA Water Ski to “reinvent” itself in an effort to alert industry and the water sports community that we are serious about stemming the tide and making meaningful change to impact the negative trends. USA Water Ski is committed to partner with industry leaders to create a more inclusive atmosphere and provide support to increase industry product sales.

At the same time, it is essential to create a member value proposition that will inspire water sports participants to join USA Water Ski not only to participate but also to better appreciate and want to take advantage of the member benefits offered.

While insurance coverage and the right to participate in sanctioned tournaments, clinics, exhibitions, practices, etc., is the key motivator for current membership, one of the essential components in reinvention is to provide a value proposition through industry discounts in which the benefit far exceeds the cost to join.

The overall reinvention approach is intended to offer modest modifications to the existing structure without causing much disruption for existing members while becoming more inclusive. It is a four-pronged approach and presented as an entire package.

1. Focus on Increasing Membership by Providing Water Sports Specific Product Discounts

USA Water Ski has historically provided product discounts but they have not been wide spread nor inspired our members as most of them do not relate to towed water sports and are available elsewhere. Through meetings with the major endemic brands, it is clear that we can change this situation with a new approach.

- **Major manufacturers have stepped up** to support the USA Water Ski four-pronged initiative for a revised and refocused approach to membership and participation.
- We will offer an **excellent membership value proposition**: There are more savings through these discounts and bonus offerings than the basic cost for membership.
- In the Members Only area of the website, members will have **access to discounts and bonus benefits** from major water ski manufacturers
- In the Members Only area of the website, members will have access to special discounts through our new Boat Insurance partner: Ski Safe

2. Update the “USA Water Ski” Name to “USA Water Ski & Wake Sports”

- Successful organizations are dynamic and evolving.
- USA Water Ski & Wake Sports emphasizes inclusion.
- A name update provides increased relevancy and is essential for industry credibility and support.
- A name update is a strong statement, demonstrating organizational support for meaningful progress.
- Revising the name provides better marketing opportunities and opens the organization to other elements of sponsorship.
- USA Water Ski & Wake Sports embraces a wider audience of participants, including all who participate recreationally in towed water sports.

3. Update and Revise USA Water Ski Bylaws (see Attachment)

USA Water Ski, like so many other NGBs, is a competition-focused organization that provides the basis for our existence. We focus on tournaments, rankings, world championships, elite teams, and world records. And we should, but there must be more to what we offer if we are to grow. The updated and revised Mission and Vision statements in the USA Water Ski bylaws provide the following:

- Increased emphasis on the “Life on the Water” approach with more emphasis on the recreational water sport participant.
- Increased emphasis on the developmental base, strengthening the number of athletes moving up the pipeline.
- Increased focus and emphasis on recreational participants without undermining the core competitive structure.
- A strong statement to industry that USA Water Ski is serious about reinventing itself.

- A better member benefit proposition through member-only product discounts from the water sports industry, benefits not necessarily available elsewhere.
- Increased emphasis on supporting partner efforts to sell product and increase participation levels in water ski and wake sports.

By catering to the general masses through significant product discounts, it becomes a far easier sell. Then it becomes more about marketing and promotion by USA WATER SKI HQ and our members: Spread the word!

4. Revise USA Water Ski Membership Structure

The current membership structure has tiered membership levels where individuals select the appropriate level (Active, GrassRoots, Supporting, etc.). The key to the Membership/License program is that everyone is an equal member at an affordable price and every member shares that one and only membership offered. A person joins for whatever reason. If the individual wants a higher level of participation, the add-on License program accommodates that.

- There will be one membership category at a very affordable price (\$19.95). Everybody is an equal member of USA Water Ski & Wake Sports. There are no second-class memberships.
- The membership value proposition still includes discounts for family membership.
- Membership provides access to industry product discounts, merchandise discounts, all e-mail communications and The Water Skier magazine.
- Only USA Water Ski & Wake Sports members will have access to member discounts from the top industry manufacturers through the Members Only pages on the USA Water Ski & Wake Sports website.
- Families may now include family members under the age of 25. Previously it was under the age of 18.
- The add-on License program provides the right to participate in sanctioned tournaments, practices, exhibitions, clinics and other related sanctioned activities.
- The License program provides insurance for all those who purchase the participation license. General membership does not include insurance.
- The License program offers a GrassRoots level of participation
- The License program **offers a non-skiing officials level (NEW!) at a discounted rate.** The License program offers an Active level, providing full rights of participation.

- The Guest Pass provides a \$7.00 one-time sanctioned clinic, practice or exhibition opportunity with insurance coverage consistent with the previous Guest Name Membership.
- The **Tournament Guest Pass (NEW!)** allows for participation in one sanctioned tournament – GrassRoots or Class C – with insurance coverage. (Note: this is not a membership but a one-day pass. There is no access to member discounts, the magazine or other member benefits). This Tournament Guest Pass is intended for those who have not previously been members.

We have known for quite some time that our large family memberships were underpriced, due to the level of insurance coverage provided. There is a risk involved each time a person touches the water, and insurance providers don't discount if a person comes from a family membership or not but base premiums on the number of covered individuals. Essentially, the individual and smaller family members have been subsidizing our larger family insurance costs.

Currently a family pays \$175 for a family of 6. That is a membership for about \$29 per person. Insurance costs are based upon actual membership numbers and are approximately \$24 per person. Then there are other membership fulfillment costs (membership cards, The Water Skier, etc.). Individual Active membership is currently \$80 or \$50 (Under 25). There is a margin there to help pay for other fixed costs.

USA Water Ski is a business and does its best to break even each year. Each revenue center must generate income to support the operation. Membership databases and people to operate them cost money. Magazine production costs money. And there are sponsors who support USA Water Ski. From that revenue we are able to fulfill our sponsors' investment by providing webcasts, magazine advertising, product promotions, social media posts, etc. There is a fulfillment cost for their support.

Membership costs will either increase or decrease depending on level of participation.

For example, a single member with an Active license either under age 25 or over will have an increase of \$4.95. A family of two, both over age 25 and with Active licenses will have a decrease of \$15. A family of one over age 25 and one under age 25, both with Active licenses, will have a

decrease of \$45! It's a pay to play system – the more in your family that participate, the more it will take to cover the related costs.

Yes, there is an increase for a family of 6 if they are all active skiers. As mentioned above the family fee was \$175 with 83% of that going to support the insurance costs. The new structure will be \$30 family membership + 2 Active licenses @\$65 + 4 U-25 Active Licenses @\$35 for a total of \$300.

However, most of the memberships are families of 3 or 4. As an example, for a family of three with one adult and two kids participating, (\$30 family membership + 1 Active License @\$65 + 2 U-25 licenses @\$35 = \$165) that is actually a decrease in fees of \$10.

Other Pertinent Information:

USA Water Ski formed an **Insurance** Task Force in 2015–2016 consisting of insurance and legal experts and representatives from most sport disciplines to review in detail the entire insurance program. It was enlightening to those on the task force and was determined that we are offered a solid comprehensive program, meeting the requirements of an NGB.

These links to the USA Water Ski website provide answers to most insurance questions.

Insurance Program Highlights:

<http://www.usawaterski.org/graphics/downloads/InsuranceResources/SanctionedEvents/InsuranceProgramHighlights.pdf>

Insurance Fact Summary:

<http://www.usawaterski.org/graphics/downloads/InsuranceResources/SanctionedEvents/InsuranceFactSummary.pdf>

Insurance Mythbusters:

<https://www.usawaterski.org/graphics/downloads/insuranceresources/usawsinsurancemythbusters.pdf>

As an overview, USA Water Ski has two levels of insurance coverage for sanctioned event activities– participant accident (PA) and general liability (GL). The limits on the PA are \$10,000 per occurrence. There is a \$1,000 deductible if you do not have personal insurance. After the PA is

exhausted, the general liability comes into play. In 2016, PA claim payouts totaled \$136,000 while the premium for the PA policy was \$125,000. So far for 2017, payouts have been \$69,000 but there remain active claims in process. Keeping those premiums under control is a continuing challenge as our sport does have risk. However, in the past few years, we have not had any catastrophic claims against our GL policy as we did in 2010, which increased our premiums considerably a few years ago. In summary, insurance is something you need to have but never want to use.