

USA Climbing Gym Partner Task Force Summary of Findings - March 2024

The USA Climbing Gym Partner Task Force (GPTF) is a five-member group of USAC Board members that was chartered by the Board of Directors in January 2024 to explore ways to build and rebuild connections and trust between USAC and gym owners and operators. This was in response to complaints from gym owners related to the proposed National Training Center project and other frustrations about their relationship with USA Climbing. These were shared with the Board in letters and at a subsequent call hosted by the Climbing Wall Association in early January that was attended by several USAC Board members and executive staff.

This report is a presentation of the findings from the GPTF's engagement efforts over the past two months. These efforts have included:

- An initial introductory video from members of the GPTF, which has been viewed online more than 200 times
- An online survey of gym owners/operators, which received 62 responses
- Direct conversations with approximately 25-30 individual gym owners/operators, including an in-person meeting between the Salt Lake City operators, a member of the GPTF, and the USAC CEO
- Five roundtable sessions hosted by the GPTF that were attended by a total of 30 participants

The initial focus of the GPTF engagement centered on the National Training Center (NTC) project, and therefore most of the findings are related to that. However, we have also included themes we heard related to the broader USAC/gym partner relationship, and we plan to find ways to engage around that topic further in the months ahead.

Summary of Findings Related to the NTC Project

The gym owners/operators who engaged with us generally expressed their support for USA Climbing to be successful in achieving the following overall strategic organizational objectives:

- The intentional development of elite/emerging competition climbers that will help them fulfill their aspirations as well as continually improve the US' position as one of the best-performing countries in the sport
- The hosting of high-quality events that elevate the experience of athletes, spectators, routesetters, and event officials/volunteers - from IFSC World Cups and championships to domestic championships to local events - across all four competition series
- The growth of the sport with more and more people (particularly young people) "getting chalk on their hands" and participating in competition climbing
- A financially thriving USAC organization that can invest in more programming and operational support to the sport and the gym owners, coaches, routesetters, and volunteers, all to continue to enhance the sport and improve the experience for climbers

While many gym owners expressed concerns with the complexity of the National Training Center project and are particularly uneasy with the proposed commercial aspect of the facility, many also indicated that they were comfortable with the creation of some kind of new purpose-built facility in Salt Lake City that can be a focal point for achieving the objectives

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above. They also appreciate the ambition, effort and skill that it took to secure the \$15 million state grant and the advantageous terms offered by the city for the proposed land lease deal for the Station Center site.

However, they feel that USAC staff and Board had not adequately consulted with them or other stakeholders before securing the state grant and that the prior USA Climbing [strategic plan](#) did not communicate the scale and direction of what was presented to the state. It feels to many of them that the grant - with its various conditions - is now driving the organization's strategy and not the other way around. For example, some noted that even the name "National Training Center" fails to accurately describe the multiple purposes of the proposed facility under the additional grant-required goals of event hosting and community access.

Given that a \$15 million state grant has been given (and funds received by USAC) and a preferred site for a facility has been identified (though not approved), the notion that these steps were taken without formal Board approval of a design and financial model is viewed as very worrisome on many levels, both from a lack of knowledge and focus perspective (i.e. Does the Board or leadership know what it is doing to let it get to this point? Does USAC have the manpower and experience to take on a project of this scale and complexity based on its actions to date?). However, there were many gym owners who acknowledged that there is still the opportunity to engage with stakeholders and potentially course-correct, even if it might mean a re-negotiation of the state grant and/or lease terms. Some suggested that USAC should return the money and start over with its planning while most want to see USAC go back to the state and determine whether the general-public membership component can be removed and USAC still retain most or all of the grant.

One of the common themes of the feedback is confusion about what exactly is being proposed - from the square footage of the facility, to how much it will cost to build, to the business model that is being used to confirm its financial viability. Many have asked for clarity from USAC about what are the documented "needs" for a facility versus what are the "wants" (e.g., "nice to haves"). Regardless of their level of support for the project, everyone indicated that they are looking for greater clarity and transparency about when and how the Board plans to make these decisions and better ongoing communication and engagement with its stakeholders about what it plans to do.

While the opinions of the gym operator community are far from monolithic, one of the larger pressure points revolves around the scale of the proposed design. The vision of a huge facility similar to [Austria's KI Center](#) is viewed negatively by many - if not most - of the gym owners/operators with whom we engaged, and pursuing that vision will continue to produce significant backlash, which could include refusal/reluctance to host future USAC-sanctioned events. Based on what they have read or heard about the NTC project, they have raised a number of core concerns and/or questions around the four "pillars" of the facility - athlete development, event hosting, community access, and financial sustainability. These are presented below, including data from the survey responses.

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Athlete Development

- Many feel there is a lack of clarity regarding exactly what “tier” of athlete the NTC is being designed for and therefore how many athletes would be expected to be served by it on a regular basis. There is general support for it to serve a group larger than just National Team members but a mixed opinion on whether it should serve the entire USAC membership all of the time, some of the time, or at all.
- The list of potential NTC-located services for athletes listed in the survey were generally well supported, though some raised the issue of whether USAC could obtain them from locally-available suppliers versus bringing them in-house.
- Many would like to know what arrangements would be in place for youth teams to access the facility for their training and how that would be coordinated and managed, as well as what USAC would charge.
- An overarching concern is that putting so much focus and organizational resources for athlete development in a single facility may preclude other, more decentralized athlete development strategies from being considered and pursued. Many have questioned whether coaches, athletes, and parents have been adequately consulted to provide input into what the national development strategy should be. Moreover, they are concerned that this facility can’t benefit those athletes that can’t afford to travel to SLC, and the gym owners generally saw that as limiting. Even if the NTC could serve those youth team climbers in some capacity, this assumes access and ability to come to SLC.

Survey Responses Related to Athlete Development

RESPONSE OPTION	# who indicated YES (N= 62)
<u>Who Should Have Access to Dedicated Training Spaces</u>	
Active National Team members	44
Other highly ranked competitive climbers	42
Any actively competing USAC athlete	30
Anyone with a current USAC membership	19
<u>Potential Services Provided at NTC</u>	
Enhanced off-wall conditioning	42
Coaching education	40
In-person team visits	38
Routesetting education	36
Onsite physiotherapist	29
Recovery and therapy resources	29
Onsite nutritionist	26

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Event Hosting

- There appears to be a fair amount of support for the concept of having a purpose-built facility that could host large-scale events in a higher-quality, more cost-efficient way than today. However, the support is far from universal; those who are not fully supportive raised a number of concerns.
- The space/scale required to meet the requirements of the largest events - which is what the proposed facility appears to be based on - would be expensive to build and operate. Those costs seem disproportionately large given the very small number of potential events each year that would require that much space.
- They also feel that there are enough gyms/communities around the country that can and want to meet USAC's event hosting needs. If the facility is built as planned with the commitment to the state to host 5-6 events per year, that will deny these communities/gyms the opportunity to host these events.
- It was also pointed out that locating future national championship events at the facility will provide SLC-based athletes an advantage over other competitors. Some did express support for the idea that knowing where Nationals would be every year would bring certainty to a question that is often unanswered until only a few months before the event.

Survey Responses Related to Event Hosting

RESPONSE OPTION	# who indicated YES (N= 62)
<u>Potential Events Hosted at NTC</u>	
Elite & Para WC and WCH	45
Elite & Para NCH & NTT	44
Youth WCH	40
Collegiate NCH	35
Youth NCH	34
NACS	22
Regionals/Divisionals	18

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Community Access

- Many of the gym operators feel that the responsibility for delivering community access to indoor climbing opportunities - including for those from historically under-represented or economically disadvantaged populations - should continue to rest with commercial climbing gyms, who have the expertise and experience to do it most effectively. Of the 62 responses to the survey, only 16 (25%) indicated that providing access to underserved populations should be a focus of the facility. Adding a community access feature to the NTC facility is seen as problematic for a few reasons.
- The selling of memberships and day passes to the general public places USAC - as the national governing body - in direct competition with the companies that it needs as partners in delivering hundreds of competitions every year, which then undermines their trust in the organization and leads to a lack of willingness of gym owners to host future comps (which are currently not profitable to deliver anyway)
- The additional space and staffing requirements needed to meet this community access need will add significantly more expense and complexity to the project, which USAC does not have a track record of managing. In other words, even if we could come up with a model that is not seen as directly in competition with the gym owners, they believe that USAC doesn't have the skill and experience to actually meet the community access needs in an effective way, based on its track record to date.
- Designing and operating a facility that must simultaneously meet the wildly different climbing needs of the country's most elite athletes and the SLC community's most novice climbers seems incredibly problematic to solve.

Financial Sustainability

- Gym owners recognize the need for the facility to have ongoing sources of revenue to fund its operation. Many also appreciated the concept of having the facility generate a positive net revenue that could then be invested in other USAC Climbing programs and initiatives that would benefit the broader membership, such as increased fees to gyms for hosting Youth and Collegiate championship events.
- Many were seeking greater clarity about how the proposed model of establishing an LLC to build and operate the facility would work. Some questioned whether/how that would shelter the core USA Climbing organization from potential financial and legal liabilities incurred by the facility.
- Most of the gym owners with whom we engaged strongly encouraged USAC to develop a revenue strategy for operating the facility that does not rely on the sale of general-public memberships. Some of the ideas discussed include:
 - An annual "Gold Pass" that provides the holder with free access to participating gyms around the country (modeled after the US Ski & Snowboard concept), with the revenue from those passes helping cover the operational costs of the facility. Some of the gym owners were skeptical that this idea was viable in terms of whether anyone would be interested in purchasing it and whether gyms would see any value in participating.

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- A “round up for USA Climbing” point-of-sale option for individuals to make a contribution when purchasing their gym memberships, day passes, etc. at member gyms around the country
- An NTC day pass option for climbers who earn access based on achieving a certain “ranking” in their respective competition series, with limits imposed on the number of day passes an individual might purchase in a year. The price of the day pass would be set higher than a traditional gym’s day pass - to help avoid it being seen as competitive with local gyms (e.g. \$75 a day).
- Many gym operators indicated support for the idea of USAC finding an experienced gym operator to manage the facility, particularly any type of “community access” dimension (if that ends up being part of the facility plan). They expressed concern for USAC’s ability and capacity to effectively manage the complex challenges of running a public facility on its own, based on their own first-hand experiences. While there were many questions and issues raised regarding how such an arrangement might work, many felt that some type of RFP process to solicit proposals from prospective partners was something that should be explored.

Survey Responses Related to Potential Revenue Strategies

RESPONSE OPTION	# who indicated YES (N= 62)
<u>Potential Revenue Sources</u>	
Spectator fees	49
Sponsorships	48
Grants	48
Training camps	47
Fundraising	46
Fee paid by athletes with designated access	41
Coaching, etc fees	35
Retail sales	34
Add-on to USAC membership	31
Non-climbing events	30
Day pass - existing USAC gym member	11
Anyone w/membership at a USAC gym	10
Community group fees	7
Day pass - general public	6
Membership - general public	4

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Summary of Initial Findings Related to the USAC/Gym Partner Relationship

While the focus of the GPTF's initial engagement has been gym operators' views on the NTC project, many have also shared their thoughts on the state of the overall relationship between USAC and the gym community. The core message has been that they have felt neglected by the organization's leadership (Board and staff) in recent years as its focus has shifted towards the Olympics and the performance of Elite athletes and away from its "grassroots." It's interesting to note that this is also a concern raised in the [recently published report](#) from the Commission on the State of the USOPC - see pages 77-79. For many, the NTC project - both what it is and how it was developed - is the embodiment of that change in direction and devaluing of the gym operator perspective. They also cited:

- There is a lack of gym operator representation on the Board; some indicated that they want one or more seats designated for gym owners
- No gym operator committee exists similar to the ones for coaches and routesetters
- Independent board directors with a lack of understanding of and/or experience with the industry/sport currently hold key leadership positions; at the roundtables and in other conversations, several suggested that a leadership change was needed

Some also raised specific challenges related to hosting USAC competitions. These include:

- USAC's payment to host comps (particularly youth championships) make them increasingly problematic financially for most gyms given the direct costs and lost revenue due to the required facility closure and the disruption to members
- USAC's inability to set a season schedule far in advance impacts the ability of gyms and athlete families to plan
- Releasing new rules immediately prior to the start of the season often means gyms having to make last-minute changes
- While there is acknowledgment that the host agreement is a necessary contract between USAC and the gym, there is a feeling among some that it has become overly prescriptive. It was also noted that the annually updated versions are often delayed in being released to prospective host gyms for their review.

There was also a somewhat contradictory narrative voiced by some gym operators with respect to competition hosting. On the one hand, many feel that there needs to be greater consistency in how comps are run across the country; some cited variations across Regions causing confusion about what they can and cannot do in their comps. But then some operators indicated that they believe USAC should compensate gyms differently for hosting championship events based on the prevailing labor wage rate in their area.

The GPTF will be doing more work in the future on understanding gym operators' perspectives on the current relationship with USAC and their vision for a more effective partnership.