

ACBL MANAGEMENT REPORT

To: ACBL Board of Directors

cc: Richard Popper

From: Robert Hartman, CEO
ACBL

Date: March 2017

Club & Membership Services

Membership

ACBL Membership stands at 168,215 as of January 31, 2017. This reflects an increase of 140 members from the December 2016 total.

Angie Waymire has recently joined the Club and Member Services staff. Her main area of focus is reaching out to lapsed members by telephone. We will provide an update on her progress by the summer report in Toronto.

In January 2016, we had 1,564 members make three-year membership renewal payments. The January 2017 total for three-year payments was 2,152. The increase likely a result of the new membership fee structure that rewards loyalty. A three-year payment provides the greatest savings for Members.

The 2016 club table count is 3,163,754 of which 1,041,604 came from online games. Face to face games reflect a slight decrease of less than one percent. Online tables reflect a decrease of 1.56% because one online club did not hold sanctioned games for six weeks during 2016. Attached is the full report:

[2-2017Club Tbls Report.pdf](#)

The 2016 Special Events games report is available at this link:

[2016 Special Events Report.pdf](#)

Finance

For 2016, the change in net assets from operations was \$520,865, \$419,378 higher than the budget of \$101,487 and \$180,186 lower than the forecasted gain of \$701,051. There were three main contributors to the lower than forecasted results: the Orlando fall NABC table count was 19% below budget, management increased the discretionary year-end 401K contribution, and the revenue from the STaCs held in support of the Gatlinburg relief effort was donated back to the sponsors.

The Orlando fall NABC's table count of 10,592 was 19% below the original estimate of 13,000 and 15% lower than the 12,500 forecasted. Despite the lower table count there was still a positive net income of \$105,094. However, this was \$143,006 lower than budget.

Management's decision to increase the discretionary year-end 401K contribution back from 2% to 3% of participant's compensation added \$63K in expense which is reflected in each department's "Benefits" line. The ACBL donated back \$50,350 to the sponsors of the STaCs supporting the Gatlinburg relief effort. This donation reduced tournament fee income by \$41,450 and club sanction fees by \$8,900.

Overall, expenses were \$521,435 below budget with the notable exception of the \$193,478 overage in Bridge Administration due to the costs of prosecuting cheating cases and increased surveillance activities.

The year-end actuarial review of the Retiree Post-Retirement Insurance Plan reduced the future anticipated liability from \$1,498,910 to \$1,434,192. This \$64,718 difference is a non-operating addition to net assets.

Capital expenditures for 2016 totaled \$385,322, an increase of \$309,977 from the \$75,345 spent in 2015. ACBL's net operating cash increased by \$966,949 in 2016. In February of 2017, \$500K of operating cash was transferred to the investment portfolio bringing up the balance of long-term reserves to \$5MM.

The January financial result have been finalized and shared with the Finance Committee. The change in Net Assets from Operations was \$182,323, \$159,224 better than the \$23,099 budgeted gain.

We presented a budget in Orlando with a profit of \$234,283. We are now proposing a revised budget in Kansas City with an increase in net assets of \$142,340. The reduction is primarily due to changes in NABC estimates.

The field work for the 2016 audit is complete and the report will soon be completed and presented to the Audit Committee in Kansas City. The 2016 audits of the ACBL Charity Foundation and the ACBL Educational Foundation have been completed as well.

Meeting Services

Kansas City

The upgrade of NABC supplies continues. We are very excited to have all new card tables for Kansas City. We are testing plastic cards and plan to have plastic cards with the ACBL logo by Toronto. Cards in 50% of pair and team boards have been replaced and new cards will be available in the team rooms if needed. Vulnerability inserts have been placed in all pair boards. We added additional Velcro signs that provide a large canvas for signage.

Toronto

Reservations are strong and we expect another reservation push after Kansas City.

San Diego

Reservations open on May 15th.

Human Resources

Staffing

Headcount:

- Headquarters: 53 full-time, 2 part-time
- Field, Canada: 3 full-time, 23 part-time
- Field, US: 34 full-time, 102 part-time

New Hires

Dan Storch, our new Director of Marketing, brings over 20 years of marketing experience to ACBL. Most recently, Dan was with Lexmark International, where he managed the Market & Competitive Intelligence team. Previously, Dan worked for Hewlett-Packard and Texas Instruments. Dan's experience includes marketing, product management, and business development. Dan is an enthusiastic bridge player and an ACBL member.

Local Tournament Directors hired:

- Jennifer Breihan, reporting to Charlie MacCracken
- Gary Goetz, reporting to Ken Van Cleve.

Two additional LTDs, reporting to Guy Fauteux are in the final steps of the hiring process.

In January, 5 LTDs were promoted to ATD and 5 ATDs were promoted to TD.

Open Positions

- Director of Field Operations
- Field Supervisor (District 6, District 7, District 16/17)
- National Recorder
- Developer (Full-Stack or Web)

2017 Benefits Enrollment

We changed our medical insurance offering from Aetna to United Healthcare and reduced premium costs by 9%. We offer 2 plans: HRA and PPO and 4 tiers of coverage (employee, employee + spouse/partner, employee + children, employee + family). There are 113 covered lives (54 employees, 59 dependents) in the HRA plan and 18 (11 employees, 7 dependents) in the PPO plan.

We kept Aetna Dental and Vision plans. We enrolled 116 people (56 employees, 60 dependents) in Dental insurance and 129 people (64 employees, 65 dependents) in Vision insurance.

Employees had the option of electing Dependent Care and Flexible Spending Accounts, as well as AFLAC. These plans are fully funded by the employees.

Compliance Training

During 4th quarter 2016, all employees were assigned and completed bi-annual anti-harassment training. Employees completed an on-line anti-harassment training, and were required to read, and agree to comply with, the Workplace Harassment policy and the Youth Protection policy.

2016 Performance Reviews

We are in the final stages of the 2016 performance review process. Employees have completed self-reviews and managers are completing their reviews of direct reports. Performance salary increases will again be based on overall performance ratings.

Information Technology

Personnel

- Hired Joe Irby as a full-time Web Developer
- Hired Ping Hu as a part time Web Developer focused on the Masterpoint Engineer.
- Hired Tony Lin as a part time ACBLscore developer

Software Development

- Significant progress made on our project to replace ACBLscore with a 3rd party scoring engine and an ACBL owned Masterpoint Engine. We are still on track for a May alpha test of a club using a 3rd party scoring product like EBUscore to run a game, submit the file to an engine in the cloud, have masterpoints assigned to the file and to have the results posted in ACBL Live.
- Automated process for deleting club sanctions and sending out notifications of cancellations to Clubs, Units and Districts. This will save over 80 hours and manpower on a yearly basis.
- Submitted proposal to the USEBIO committee for a new USEBIO standard that supports tags required for ACBL purposes. This standard has been verbally accepted by the USEBIO committee and is waiting for permanent approval.
- Putting finishing touches on FinancialTRAX which will replace ACBLscore Tournament Financials. This software is currently undergoing Beta Testing with Tournament Directors and Tournament Sponsors.
- Seeding Program – Rewrote the NABC Seeding program used to seed players in our large tournaments. This program was originally written on the AS/400.
- Upgraded ACBLscore to reflect new membership fees. This version is called 8.18 and will be released on April 1.
- Upgraded web site and “Join/Renew” software to reflect new membership fees.
- Release new Electronic Billing process.
 - Electronic bills are sent to members’ email address prior to sending paper bills.
 - The goal is to encourage renewals prior to having to send costly paper invoices.

Infrastructure

- Upgraded Proxix and Paperwise servers to latest versions running on Windows 2012 Server.
- Implemented Web based Password Reset tool to allow all employees to reset their passwords without Technology staff intervention.
- Implemented new security software on our Web Servers to protect against BOT attacks after a recent round of attacks impacted our production servers.
- Deployed Microsoft WSUS server to control patch levels for all ACBL servers and workstations. Preparing to roll out an offering to clubs to control the Microsoft patches on their club systems running ACBLscore.
- Upgrade Tournament Director base image to include upgraded MacAfee Virus Protection software to support Windows 10 Anniversary edition and all Microsoft Security patches to date.
 - All 21 NABC laptop have been upgraded to use this image
 - All TD laptops will be upgraded at the Spring NABC to use this image.

Bridge Administration

Tournament Division

2016 Tournaments

Total tournament tables decreased by 2.92% compared to 2015 (12,863 tables) with twenty-four fewer tournaments. Average tables were down by 0.84% (382.3 v. 379.1).

Regional table count is down 5.03% (8690.5 tables) while holding the same number regionals. The average table count per tournament was also down 5.03% (1318.9 v. 1252.6).

Sectional tables were down 3.09% (4460.1 tables) on twenty-three fewer tournaments, with average tables running a 0.58% decrease (154.7 v. 153.8).

STaC Tables showed an increase of 0.23% (287.5 tables) while holding one fewer tournament, with average tables up 1.36% (1378.1 v. 1396.8).

[Final TC 2016.pdf](#)

January 2017 Tournaments

Total tournament tables increased by 3.17% compared to January 2016 (1187.0 tables) on five fewer tournaments. Average tables are up by 9.02% (402.4 v. 438.7).

Regional table count is up 15.09% (2401.5 tables) on one additional regional. It is important to note that the additional tournament was the large Houston Regional, which skewed these numbers in a positive direction. The average table count per tournament was up 5.50% (1446.7 v. 1526.3).

Sectional tables were down 10.48% (1499.0 tables) on seven fewer tournaments, with average tables running a 1.38% decrease (188.2 v. 185.6).

STaC Tables show an increase of 3.95% (284.5 tables) while holding one additional tournament, with average tables down 10.90% (1200.9 v. 1070.0).

[012017TC.pdf](#)

Field Operations

Congratulations go to ten directors, most of whom are TDU graduates, who were promoted in January. Moving from Local TD to Associate TD, Crystal Mann, Donna Wood, Bill Koehler, Jesse Laird, Mark Smith; from Associate TD to Tournament Director, Linda Marinus, Kim Hayward, Denis Lavoie, Tom Ciacio, and Clay Hall.

Marketing

Tricks of the Trade

To begin 2017, the marketing blog focused on teaching clubs and teachers how to advertise on Facebook. The series culminated in the first-ever webinar (web class), where peer teacher, Silvana Zangri, showed the exact steps to executing a Facebook ad campaign. The class had 15 participants and was widely praised by those in attendance. You can view the class here:

www.acbl.org/webinar

More webinars are being planned.

The Longest Day

The Longest Day 2017 will be held Wednesday, June 21. Efforts are being made to incentivize clubs and teachers to capitalize on the partnership with the Alzheimer's Association and utilize it as a recruitment opportunity. The ACBL is evaluating new incentives for all non-member participants of The Longest Day, as well as the clubs attracting the most prospective members. Nonmember information will be collected and stored for future marketing activities.

New member email series

Members who join(ed) the ACBL in January 2016 and beyond are automatically enrolled in this email engagement series. Emails encourage new members to establish their MyACBL and Akenity accounts, access education resources and visit their first club or tournament. Each month there is a new education lesson that links to practice hands in Learn To Play Bridge, and a one-question survey aimed at helping Marketing better understand the first-year member and his or her needs.

All emails have a 50% or greater open rate, which is more than double the industry standard. The average click-through-rate to the ACBL website or LTPB is 22%, with some emails receiving up to a 33% click-through-rate.

E-marketing and communication

In 2016, 782 email campaigns were launched by the ACBL. Email topics included the following: tournament announcements, Tricks of the Trade blog posts, rank change announcements, ACBL program promotions, first-year emails, newsletters, surveys and reminders about expired memberships.

Since the launch of Marketing Solutions, powered by Pianola, the number of tournament email campaigns led by ACBL staff has dropped by 42%. We expect this number to continue to drop as more units and districts take control of their own marketing efforts with the use of this tool.

Marketing Solutions, powered by Pianola

As requests for email services come in, units and districts are reminded about the ability to spearhead their own campaigns through Marketing Solutions, powered by Pianola. Each unit/district has access to a database of members located in their unit/district and surrounding regions. They can then target their audience with smart groups based on rank level and masterpoint holdings.

Thus far, 180 user accounts have been created. Units/districts have been using the tool to send emails promoting tournaments and other events, communicating news and giving important updates to members. In addition, the product is being used internally to fulfill Tournament Emails Services. To learn more about Pianola and to read the *Terms of Service*, visit:

www.acbl.org/marketing/marketing-solutions

Coaching emails highlighting benefits, testimonials and ways to maximize impact through use of Pianola are being sent each month. Additionally, a new “best practices” section will be added to the Pianola website this year. Special pricing was negotiated, allowing units to use the service for \$20 per month and Districts for \$50 per month, beginning in 2018.

Cooperative Advertising Program

In 2016 the program reimbursed \$108,919.80 to 166 units, clubs and teachers. This was significantly less than the \$159,288 paid out in 2015. The reduction is due to a change to the reimbursement percent from 75% to 50% and reduction in the maximum reimbursement of \$750 to \$500 per campaign. The new rates became effective April 1, 2016.

In 2016, the average cost of for a CAP-recruited member was \$103.34, down from \$112.57 in 2015.

Social Media

Facebook and Twitter are used to engage our members, promote the ACBL and reach out to the media in addition to including a digital marketing strategy in the majority of our communications and advertising plans. Our Facebook page is particularly active, and with

6688 followers, has grown by nearly 15% in the last year. Our Twitter account has 2302 followers, a number that also continues to grow.

Facebook content is added daily and features a variety of topics including archived It's Your Call games (the most popular posts), big game winners, historic photographs, famous quotes, bridge-related news articles and more. During NABCs, photo galleries of winners and players are added as well as links to Daily Bulletins. Twitter is primarily used to reach out to media sources and connect members to articles written about the ACBL and bridge.

Media Relations

McNeely Piggot and Fox are no longer a monthly retainer, but are being utilized where they shine most – at the three NABCs.

Creative Services

Creative services were employed for many of the organization's departments and for a wide variety of projects, the most significant of which was the overhaul and redesign of Bridge Life. Not only were all elements refined, but also a new cover to target a younger audience was designed and three new articles targeted to newcomers were added.

Other design projects included several elements to go with this year's Instant Matchpoint Game like a new logo, a booklet of analysis, posters for clubs, travelers and a slider for ACBL's homepage. Additionally, the Philadelphia NABC logo has been finished, and the design for the 2019 Las Vegas NABC is underway. The restaurant guide and interactive map for the Orlando NABC was also completed. The interactive map continues to be improved, and this time local grocery stores were added.

New collateral continues to be designed and added to the Resource Center. Recent examples are business card templates, the *Come Play with Us* ad template and the *Rules of Thumb* bookmark.

The design of numerous email campaigns is continuing, including monthly emails to new members and specialized NABC emails, as well as designs for game analyses for the International Fund Games and Charity Games.

Just Play Bridge

Implemented in mid-2016, *Just Play Bridge* (www.acbl.org/learn_page/just-play-bridge/) is the fifth most visited page on the ACBL's website and collects data for more than 100 prospects weekly; 2919 total. Prospects are automatically enrolled in the weekly *It's Your Call* email. Since the Fall NABC, 168 of these prospects have converted to membership.

Education

Collegiate Bridgebowl

For 2016-2017 College Bridgebowl qualifying sessions, we had 17 unique colleges and 19 teams join the competition. Four teams qualified on each weekend of the qualifying matches, for a total of 8 teams. They will be competing in the finals in Toronto at the Summer NABC.

Those teams are: Carleton College, Georgia Tech, Harvey Mudd, Northwestern, UC Berkeley, U. of Illinois Urbana-Champaign, UNC Chapel Hill and U. of Chicago. The first-place team will win a \$16,000 scholarship and second-place team will win an \$8,000 scholarship.

Learn Bridge in A Day?®

The ACBL hosts a LBIAD seminar and corresponding teacher training course at each NABC. Reservations are now open for the LBIAD at the 2017 Spring NABC in Kansas City. The Educational Foundation also sponsors the course at the unit level, pending certain requirements are met. In 2016 they funded ten events.

Marketing supports both the NABC and unit LBIAD events by distributing email blasts to area teachers, club managers, members and lapsed members before the event. For clubs hosting events, Marketing will also distribute email blasts upon request.

Participating clubs and units are requested to submit attendee contact information for follow-up marketing and ACBL membership tracking. In 2016, ACBL collected contact information for 884 LBIAD attendees. Of those, 91 have joined ACBL to date.

Lifelong Learning

In 2016, 390 students participated in 21 classes at twelve institutions offering bridge through their lifelong learning programs.

ACBL supported the Osher Lifelong Learning Institute (OLLI) programs at University of South Florida, University of North Florida, University of Georgia, California State University at Long Beach, University of Delaware, University of Alabama Huntsville, and Kennesaw State University. We are now an officially recognized OLLI curriculum resource.

So far in 2017, 289 students are taking bridge through 12 programs at 8 college or university lifelong learning programs.

Teacher Accreditation Program

We accredited 163 new teachers through six TAPs held in 2016. Below is the current schedule for 2017:

- Kansas City, MO (NABC) March 9-11
- Gatlinburg, TN (Regional) April 20-22
- Toronto, ON (NABC)..... July 20-22
- San Diego, CA (NABC) November 24-26

Accredited Teachers

The following are the statistics as of February 2017:

- ACBL Accredited 6,656
- Better Bridge Accredited..... 1,034
- ABTA Teacher..... 708
- ABTA Master Teacher 89

- Easybridge! Accredited1,057
- LBIAD Teachers192
- School Bridge.....273
- Lifelong Learning 15
- Registered in Find a Teacher Database1,540

Note that a teacher may be accredited under more than one program.

Youth NABC in Toronto ON

All the information for the 2017 Youth NABC has been updated on the website. Schedules, registration and event information can be found online at:

www.acbl.org/ynabc

School Bridge Program

In 2016, ACBL supported 301 bridge classes teaching 5,246 students. The following table shows statistics from the School Bridge Program:

Classes	2011		2012		2013		2014		2015		2016	
	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall	Spring	Fall
College	3	5	3	4	3	8	7	6	7	9	3	20
High	41	43	45	49	44	58	57	54	51	40	11	29
Middle	85	104	86	91	81	108	112	106	102	167	57	68
Elementary	45	51	58	60	62	75	78	68	72	89	14	99
Total	377		396		439		488		537		301	

Teacher Stipends	2011	2012	2013	2014	2015	2016
US	\$54,940	\$71,657	\$108,620	\$111,231	\$138,900	\$69,750
Canada	\$36,750	\$37,450	\$42,860	\$43,871	\$50,050	\$28,093
Total	\$91,690	\$109,107	\$151,480	\$155,102	\$188,950	\$97,843

Youth and Junior Member Stats by District

The chart reflects paid members only.

District	Youths	Juniors	Total	Fall 2016	Difference
1	19	12	31	34	-3
2	55	9	64	53	11
3	41	15	56	52	4
4	4	17	21	21	0
5	6	7	13	12	1
6	57	18	75	74	1
7	135	36	171	157	14
8	10	4	14	14	0
9	76	19	95	80	15
10	26	11	37	29	8
11	23	5	28	28	0
12	6	39	45	13	32
13	20	18	38	39	-1
14	14	9	23	19	4
15	10	6	16	16	0
16	14	16	30	71	-41
17	10	15	25	23	2
18	2	2	4	5	-1
19	36	11	47	43	4
20	11	5	16	14	2
21	105	36	141	127	14
22	12	8	20	22	-2
23	8	15	23	25	-2
24	35	22	57	57	0
25	23	23	74	68	6
99	64	24	88	84	4
Total	850	402	1,252	1,180	72

Previous Management Report's Statistics:

- 2013 Summer NABC: 1,275 total junior/youth members
- 2014 Summer NABC: 1,208 total junior/youth members
- 2015 Summer NABC: 1,152 total junior/youth members
- 2016 Summer NABC: 1,179 total junior/youth members

- 2016 Fall NABC: 1,180 total junior/youth members
- 2017 Spring NABC: 1,252 total junior/youth members

Change in junior/youth members, per year:

- 2012: 556 new members; 461 aged out
- 2013: 622 new members; 424 aged out
- 2014: 546 new members; 359 aged out
- 2015: 587 new members; 364 aged out
- 2016: 451 new members; 155 aged out
- YTD 2017: 133 new members; 76 aged out