

## **USTA ANNOUNCES SWEEPING PLAN TO REORGANIZE AND PRIORITIZE ITS STRUCTURE, EVENTS AND ACTIVITIES TO GROW THE GAME AND SERVICE THE BROADER TENNIS INDUSTRY**

### **Plan Includes National and Sectional Expense Reductions, Downsizing of Workforce and Alignment of Investments, Staff, and Volunteers Against the Strategic Priorities of the USTA**

**WHITE PLAINS, N.Y., June 8, 2020** – The USTA today announced a transformational plan that aligns the organization to both execute against the USTA mission to promote and develop the growth of tennis as well as combat the negative long-reaching financial effects of the COVID-19 pandemic. The plan is designed to streamline costs and focus investments and people on supporting the grassroots of tennis, and bringing the tennis community through the relief, recovery, and rebuild phases of the pandemic. The plan also ensures that the USTA's commitment to the US Open and all other USTA-produced events will remain at a world-class level. The USTA is pivoting from a program-based organization to a service-based organization with new technologies, structures, and services designed to boost the entire U.S. tennis ecosystem to help the sport thrive for the millions of existing, and the attraction of new, tennis players.

In April, the USTA announced a comprehensive industry relief and recovery package focused on supplying information and needed funds for tennis facilities and providers to alleviate the hardships caused by the financial effects of the COVID-19 pandemic. These actions included identifying more than \$20 million in savings by instituting salary reductions of USTA management, furloughing approximately 100 employees, cancelations of the USTA annual and semi-annual meetings, eliminating programs in Marketing, Player Development and Operations, and deferring all non-essential capital projects. The comprehensive industry relief continues with regular updates at [www.tennisindustryunited.com](http://www.tennisindustryunited.com) The next phase of the USTA's plan will result in an additional \$30MM in annual savings and align national staff and its volunteer committee members towards the

strategic priorities of the USTA.

Patrick Galbraith, USTA Chairman of the Board and President, noted, “In 2018 and 2019, the USTA Board of Directors began a process to align with the USTA Sections and broader tennis ecosystem with a long term Strategic Plan designed to bolster the organization’s mission and provide continuity of planning through 2026.”

The plan development was an 18-month process that included an extensive listening tour involving hundreds of interviews and workshops. Ultimately, the USTA aligned against five strategic choices:

- 1 Attract, Engage and Retain a New Generation of Diverse Tennis Participants
- 2 Lead Industry-Wide Improvements to the Tennis Delivery System, Provider Education and Consumer Experiences
- 3 Build and Optimize Best in Class Digital Infrastructure and Platforms
- 4 Ensure Continued Financial Growth and Performance
- 5 Collaborate Within the USTA & Tennis Ecosystem for the Common Good of Tennis

Galbraith continued, “With the finalization of the strategic plan and the retirement of former CEO & ED Gordon Smith, we knew it was of paramount importance to bring in a leader with both grassroots tennis experience and a proven track record in restructuring an organization of our size and breadth to assure the USTA was properly positioned to execute the mission and our new strategic choices. With Michael Dowse starting on January 1, 2020 we have worked collaboratively to model the best structure to support the USTA of the future.”

Michael Dowse, USTA Chief Executive Officer and Executive Director, commented, “We have an opportunity to reimagine the structure of the organization to better serve the tennis community in the United States. This new structure allows the USTA to be more agile and more cost effective, while getting closer to tennis players at the local level. Tennis begins at the local level and our new structure better empowers our unmatched network of volunteers, and private and public tennis providers to deliver against our strategy of attracting, engaging, and retaining a new generation of diverse tennis players. Unfortunately, today represents a challenging day for many

of the USTA family who have been negatively affected by the downsizing of the organization, and I would like to sincerely thank each USTA staff member for their dedication to the organization.”

The plan includes the following reduction in expenses and key changes:

- 110 National positions will be eliminated via a reduction in force and or taking advantage of the recently announced voluntary departure program.
- The announced phased closing of the White Plains office with remaining staff relocating to a yet to be determined new location in New York.
- Significant cuts in business units and other investments that are not aligned with the USTA’s strategic priorities. This includes merging player development, facilities, and USTA-U into Community Tennis along with other downsizing initiatives.
- Significant reductions in meeting and travel expenses including for the years 2021-2023 whereby the USTA will only host one live attended meeting per calendar year for its volunteers and staff across the country to meet and discuss key business initiatives.
- Exploration of a shared services platform to minimize and eliminate redundancy of backroom expenses of Sections and Districts thus allowing the strength of our Sectional and District volunteers and local staffs to service and support local facilities, providers, and players to grow the game.

The Tennis Service Platform will deliver a broad set of digital tools to support all providers and facilities to attract, engage and retain a new generation of tennis players. This powerful tennis platform will provide a wide variety of Marketing, Safety, and Educational tools, as well as the Serve Tennis portal. The Serve Tennis portal not only will replace TennisLink for Tournaments (January, 2021) and Leagues and Junior Tennis Tournaments, it also will provide a robust set of cutting edge digital modules to manage Programming, Registration, Communication, Court Booking, and Membership Management. Through Serve Tennis and the Tennis Service Platform, the industry will be able to dedicate more time to interacting with players on the court, rather through administrative tasks. For more information go to: [www.usta.com/servetennis](http://www.usta.com/servetennis).

The USTA is committed to promoting and developing the growth of tennis with the powerful combination of volunteers, the US Open, and USTA Staff. This restructuring, using the strategic priorities as the guiding principles, will allow the USTA to move forward to drive the growth of tennis at every level.