

LMSC for NC and Open Water Subsidies

A response by Andrea Packard

I appreciate you requesting feedback from NCMS members regarding the matter of the LMSC possibly subsidizing USMS sanctioned open water events. It is a complex issue with no easy solution, but I'd like to offer my thoughts.

First, you should know that I am an open water swimmer who has competed in numerous open water events (both USMS sanctioned and non-USMS sanctioned events). I am an advocate of the sport and would love to see it continue to grow and to include more USMS sanctioned events.

However, I am strongly opposed to using such a significant sum of money (both LMSC and USMS national funds) to subsidize it. Having an economics degree and being a small business owner, I tend to view things in terms of simple supply and demand. If a good or service, or in this case a USMS sanctioned open water event, can't be sold at its TRUE cost, and requires a subsidy to make its price low enough to meet demand, then there truly is not enough demand for that product and it shouldn't be sold.

Case in point: last year, the Long Course state championships were cancelled due to lack of entrants. There simply wasn't enough demand for that event.

If I understand the situation correctly, USMS sanctioned events are suddenly more expensive than non-USMS sanctioned events due to the skyrocketing insurance costs. That must mean that whoever is hosting non-USMS sanctioned events has less expensive insurance that allows them to offer events with lower entry fees.

In my experience, anytime there is a large discrepancy in the prices of a free-market system, the discrepancy will "correct itself" over time. Either USMS will succeed in getting insurance at a lower cost through one of the companies that insures non-USMS sanctioned events. Or, the companies that insure non-USMS events will follow suit with whoever insures USMS and start hiking their premiums, thereby making non-USMS sanctioned events just as expensive as sanctioned ones.

If the insurance cost doesn't equalize, then it stands to reason that USMS sanctioned events are somehow superior to non-sanctioned events, and therefore entrants should be willing to pay a premium to participate. Perhaps instead of subsidizing sanctioned events, USMS and LMSCs should be focusing on marketing those events as superior to non-sanctioned events?

I know that pure economics don't always apply to every situation, so let's say I'm willing to accept that sometimes things need to be subsidized. But who's to say that open water events are the most important thing for the LMSC to subsidize?

Why didn't the LMSC offer to subsidize the Long Course state meet last year? I believe it had more potential participants than some of the open water events. If you could somehow get a vote of NCMS members, and a majority of them agreed that the open water event subsidy is the best use of LMCS funds, then so be it. But until you can gather the data to support that NCMS members want such a large investment in open water swimming, I believe the expenditure is irresponsible.

I agree that "open water swimming is going to grow with or without USMS sanctioning." So maybe the best course is to wait a few years for it to grow enough that USMS sanctioned events can be self-sustaining. Until that time, I hope the LMSC will not "push its influence" into open water swimming, and will instead use its funds in a way that benefits the most NC Masters swimmers possible.