

FILE MEMO

25 October 2023

Subject: Proposals to Mitigate the High Cost of the Third Session at Regional Tournaments.

This asks the D11 Board of Directors views on these proposals, and whether we support this change going forward.

We define the 3rd session as the day part during a regional tournament when major events do not operate. For 1:00 and 7:30 tournaments, the 3rd session is the morning session. For 10 and 2:30 tournaments, the third session is the evening. In all cases, the 3rd session runs fewer tables.

Small regionals still want to offer gold point games for players not able to play in the major 2-session events. However, attendance can be low enough that running such a game is a losing proposition. We are aware that red point games can be run by Tournament Assistants at a lower cost.

District 11 has begun testing an online pair game. We are unsure about its financial viability. We are still ramping up in-person tournament play. It is far from clear that online play should replace in-person third session play. Even here we need 22 tables in 2 sessions to just break even. 3rd session regional play would be ecstatic with 11 tables per session.

Here are two options to address this cost issue:

- 1) Allow a local director to direct small (<6 tables) games to mitigate the high cost of the ACBL TD.
- 2) Revise the TD pricing model to share the financial risk for the third session games only. (Tournaments must choose this option before the tournament begins).

Background

At the July 2023 Advisory Council meeting I proposed that the ACBL allow local directors (certified to run local sectionals – so trained in tournament management) to direct third session Regional Games. This would bring costs in line with the small size of the games. Local directors cost \$100-150 per session, much less than the ACBL TD at \$264 per session. The deliberation in the Council made it clear that a slim majority wants to have full-time ACBL TDs for all multi-session gold point games. They would agree if the games were red point only, but that defeats the primary attraction for regional games.

Problem Statement

It helps to look at the cost pressure on the third session games.

What we pay the ACBL: \$264 per session for the TD each, and \$5.12 per table

Consider a two-session event assuming one TD. The TD fee is double. At breakeven:

$$\begin{array}{lcl} \text{Costs} & = & \text{Income} \\ 528 + 5.12 \times T + \text{Rent} & = & T \times 4 \times \text{Table Fee} \end{array}$$

Assume Rent = \$10 per table (\$7000 hotel space/700 tables for the tournament) and the table fee is \$16 per person. That gives us:

$$\begin{array}{lcl} 528 + 15.12 \times T & = & 64 \times T \\ \text{or} & & \\ 528 & = & 48.72 \times T \text{ so} \end{array}$$

Breakeven Table count = $528/48.72 = 11$ tables total, across two sessions.

LOCAL DIRECTOR OPTON

We propose that a local director who has successfully passed the test and is certified to direct a local sectional be allowed to run small third session-only games. There would be a backup director available by phone or online, as done for local sectionals now.

The local director can direct any session with 3-5 tables with a split red/gold masterpoint award. We can start at 50/50 red/gold, adjusting to a ratio that:

- 1) remains attractive to evening players, and
- 2) comports with the concern about allowing a lesser director to direct gold point games.

The difficulty is when a third session game exceed the table limit for this pricing. The TD would have to be flexible enough to take on the game at full TD rate at a moment's notice. That can be difficult to manage. It also changes the MP awards to full Gold.

MIXED TD COST OPTION

If instead of the current fixed fee of \$264 per session for a TD, perhaps we can agree to a variable TD fee scale that mitigates the risk of a small game loss and delivers a slightly greater income to the ACBL for a large game. This option would have to be chosen in advance of the tournament by the tournament chair and recorded by the ACBL. No adjustment would be allowed once the tournament starts.

If we eliminate the fixed TD charge and replace it with a modest per-table charge for 3 to 7 tables (here \$40 for illustration), the ACBL would share the cost for small third-session games and would earn a higher income when the games exceed 7 tables per session. Here is a model. We choose to pay the ACBL \$40 per table for 3-7 Tables, then \$300 per table after that (a slightly higher fixed rate). The sanction fee per table remains unchanged:

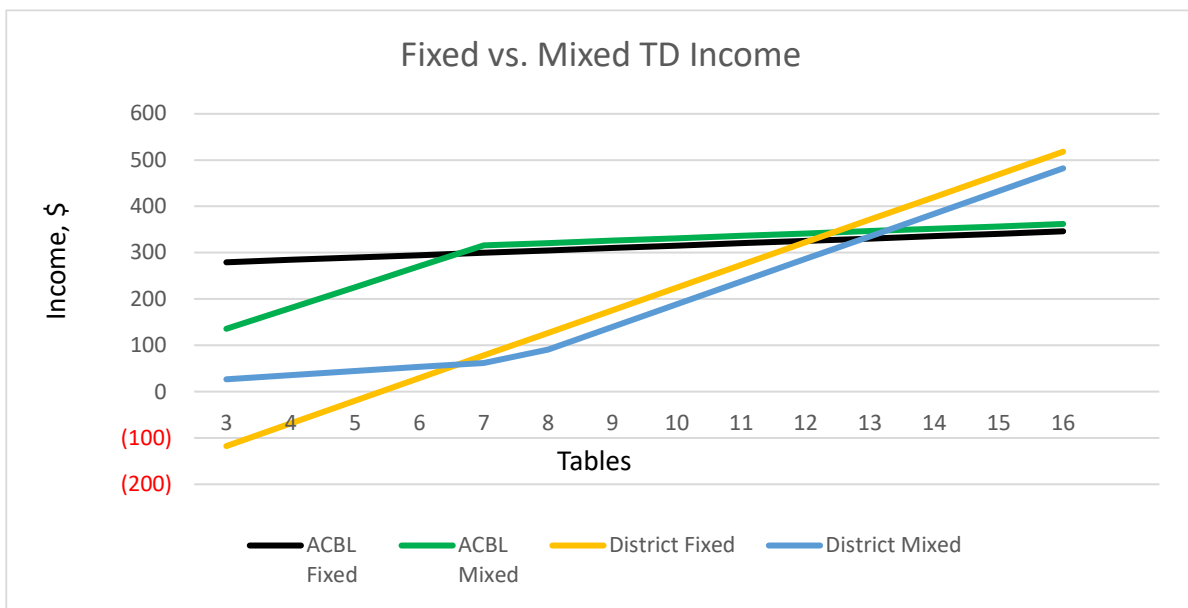


Table of Income for the Fixed vs. Mixed TD Fee:

# Tables	ACBL Fixed	ACBL Mixed	District Fixed	District Mixed
3	279.36	135.36	(117.36)	26.64
4	284.48	180.48	(68.48)	35.52
5	289.60	225.60	(19.60)	44.40
6	294.72	270.72	29.28	53.28
7	299.84	315.84	78.16	62.16
8	304.96	320.96	127.04	91.04
9	310.08	326.08	175.92	139.92
10	315.20	331.20	224.80	188.80
11	320.32	336.32	273.68	237.68
12	325.44	341.44	322.56	286.56
13	330.56	346.56	371.44	335.44
14	335.68	351.68	420.32	384.32
15	340.80	356.80	469.20	433.20
16	345.92	361.92	518.08	482.08

The ACBL Board and ACBL management will want to adjust the pricing details to meet their business goals, so the actual charges might be different than those shown in this example.

Clearly, the Mixed TD Fee proposal has fewer moving parts, looks easier to implement, does not affect the MP awards, and achieves the objective of reducing the risk of loss to Districts when keeping small games open.

We all agree that everyone want large games. We would be happy to return to the original pricing when third session games at regionals return to their historic strength.

Submitted Respectfully,
 Steve Moese K082411
 Secretary, D11 Board of Directors