

WFDF Official communication to WUGC teams

REF: OC 12.06.20/1

12th June 2020
World Flying Disc Federation (WFDF)
5825 Delmonico Drive, Suite 350
Colorado Springs, CO 80919, USA

Memo:

Dear WUGC Participating Teams,
Dear WFDF member National Federations,

We hope that you, your families, and friends are all healthy and safe during this unprecedented period of global pandemic. Please continue to be safe and to look after each other.

WUGC 2020 in Leeuwarden, NED was planned with 97 Ultimate teams and up to 10 Guts teams from 49 countries. The player attendance was expected to exceed 2200, making WUGC the largest event on the WFDF 2020 calendar and a major undertaking for the local event organisers.

Since February, the WFDF medical officer, other WFDF officers and staff have been meeting to figure out how to respond to the challenges posed by the pandemic. WFDF has reached out to various stakeholders to provide input, making necessary and measured decisions on how to proceed in the face of rapidly changing information. While we determined that it would not be feasible to hold events scheduled in 2020 and announced that decision on March 24, we have continued to work with our tournament organizing committees (TOCs) to evaluate whether it would be feasible to reschedule events for 2021 and to understand the financial impact of a decision to outright cancel events or postpone them. WFDF does not directly handle any of the local arrangements, rather contracting with its TOCs who then control the process of contracting local vendors and collecting and disbursing payments, and therefore we rely on the information they provide to us.

Many important and difficult decisions about the status of WUGC are yet to be made. Importantly, we need to know whether there is a critical mass of teams interested in competing in a 2021 rescheduled WUGC event, without which the economics will not work. To understand the level of interest of our teams and athletes, we sent teams an online questionnaire on the 3rd of June. We have received a number of questions and are sending this memo to answer them to the best of our ability in the attached FAQ. The online questionnaire link is at <https://forms.gle/bTY9VsJwHzYcYzA46>. While the original response date was Monday, 15th June, we are extending the deadline by two days to the 17th of June based on the request by several teams for a couple more days to review.

As of today, WFDF has officially received confirmation from 32 teams that they are committed to attending WUGC 2021. Three other teams have indicated they are still considering continuing. No teams have said they are opting out as of yet. **We ask the remaining 62 teams to fill out the form prior to the deadline of Wednesday 17th June 2020.**

We provided guidance on May 26 to the best of our ability given all the uncertainties on the potential additional fees that might be charged if the event were to be rescheduled to 2021, based on the information provided by the TOC, and the amounts that would be available for refunds if it were outright canceled.

It is very important to note that any teams looking to be ensured of a partial refund -- if the event is rescheduled to 2021 -- indicate in the online questionnaire their intention to drop out of the event, and to do so no later than the deadline of Wednesday 17th June 2020. If the event is officially re-scheduled to 2021, any teams dropping out of the event at a later date will not receive any refund on their previously paid fees. In the case that the decision is made to cancel the event (with the go/no-go decision expected no later than 15th of July), then all teams will receive a pro-rata share of the funds that can be recovered, subject to the final audit.

Please review the attached FAQ. This reflects the best information we have in light of the continuously changing circumstances and uncertainties introduced by the pandemic, and we realize that the solution we have developed and the resulting financial impacts are by no means ideal. We remain hopeful that the WUGC can be rescheduled for 2021, but this will be dependent on the decisions by the teams and players. We are looking forward to being together in person and sharing an amazing WUGC 2021.

Yours Faithfully,

Brian Gisel & Karina Woldt
on behalf of the WFDF Executive Committee, WFDF Board of Directors & WFDF Events Team

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About WFDF: The World Flying Disc Federation (WFDF) is the international sports federation responsible for world governance of flying disc (frisbee) sports, including Ultimate, Beach Ultimate, Disc Golf, Freestyle, Guts, and individual Events. WFDF is a Federation of member associations that represent flying disc sports and their athletes in more than 87 countries.. WFDF is an international federation recognized by the International Olympic Committee (IOC), the International Paralympic Committee (IPC), and the International University Sports Federation (FISU), a member of the Global Association of International Sports Federations (GAISF), the Association of IOC Recognised Sports Federations (ARISF), the International World Games Association (IWGA) and the International Masters Games Association (IMGA), and it is a registered not-for-profit 501(c)(3) corporation in the state of Colorado, USA.

WUGC Questions and Answers

ONLINE FORM

Q: We got your email 3 June– what do we do now?

A: To assist WFDF to make informed decisions about WUGC based on accurate plans from the WUGC teams please click on the link to the online form before Wednesday 17th June.

<https://forms.gle/bTY9VsJwHzYcYzA46>

Q: We don't want to commit until WFDF answers our questions.

A: We hope this attached FAQ will answer many of your questions, but please understand that information is still incomplete. Teams have the option to: let us know they are willing to participate in 2021 (Yes), or to opt-out for a partial player fee refund (Opt-Out). The only way to firm up and finalise the calculations for refund or postponement is to actually know the number of teams committing to 2021 and the number who are opting out for a refund. **Please note that teams who do not respond and opt-out prior to Wednesday 17th June, will not be eligible for the opt-out refund if the event goes ahead.**

Q: We already sent WFDF or the TOC an email. Do we have to fill out the form?

A: Yes, all teams must fill out the official online form so that the information can be collated properly. WFDF compiled a list of all questions and comments we received in these emails or in forms already submitted. We need teams to be clear on their intention to opt out or continue.

Q: Our Team/Federation has a meeting after the June deadline to talk to the coaches, can we have an extension on the deadline to make our decision?

A: We have extended the deadline to the 17th of June to accommodate such requests.

Q: We are hesitant to commit, since we don't know if COVID-19 will affect travel/events next year.

A: WFDF and the TOC will be in constant communication to monitor the status of the pandemic and to review governmental and health advisory agency warnings. We believe the impact on 2021 safety and health should be clarified by the year end and we intend to make a determination at that time whether it would be prudent to move forward and stage the event (around 1 Jan 2021). Note that the TOC has agreed with WFDF that, effective 24 March 2020, they will halt all spending except for their core staff costs needed to continue the event planning over the coming nine months. All available funds for refund will be shared back pro-rata to teams if the event is cancelled at that time.

Q: How can we be sure that if we commit to coming, that TOC will commit to putting on the event in 2021.

A: WFDF and the TOC will continue to plan the event to be hosted in 2021 when the rescheduling is confirmed. WFDF relies on the professional track record of Team TOC in hosting events. The TOC are not asking for any extra funds until after 1 Jan 2021 and they too are trusting that teams that indicate they are participating next year will attend.

Q: You asked for team size - we can only estimate at this time, is that OK?

A: Yes, the question about team size is to guide WFDF with an estimate on the number of players coming to 2021. We need to ensure our calculations are in-line with the team plans on numbers. You are not committed to the number - but we ask for a best estimate right now.

Q: The June 2020 deadline seems very early to ask us to commit – why can't we decide later in the year?

A: It is impossible to put the event planning (for an event as big as WUGC) on freeze until next year. The financial options for cancellation or postponement are different and the TOC needs to complete negotiations with vendors (either cancel and payout, or continue and transfer over services, products or costs). The longer things are left, the less in refunds the TOC can secure from vendors leaving less in the refund pot to share out. Without critical mass, the event can't proceed.

Q: Why can't I opt-out later and still get a refund?

A: All calculations are based around the expected number of teams, number of players per team and the fixed costs to run the event. If you pull out after 17th June and the event is postponed, we will have already calculated your team as part of the income.

Q: WFDF has used "approximate" for the refund and surcharge amounts – why can't you publish a fixed amount?

A: All calculations were based on assumptions about how contracts might be unwound and on the expectations for recoveries. We also had to do an estimated calculation on a pro-rata per person, so WFDF and the TOC did the best estimate and split out costs per person. Once we have a go/ no-go decision on 15th July, WFDF and the TOC will be able to calculate a more accurate fixed rate. Following the June 17th commitment deadline, WFDF and the TOC will continue work on budget revisions. It is hoped that with more teams attending in 2021, further cuts and other revenue sources we can lower the surcharge amount when the final amount is announced, but the EUR 150 surcharge should be the maximum amount.

Q: If a team decides to go, but a player or few players are unable to attend due to different factors due to Covid-19, could they withdraw individually and get a % refund of their players fees.

A: Teams must have a minimum roster of 14 to be eligible to participate and meet the rules of Ultimate. Since teams have already paid the fees for 14 athletes, we would expect teams to either replace the players not coming or to opt-out. Finance swaps would need to be managed internally with teams that have certain players not coming.

Q: We lost our sponsor and need to raise the funds before we can commit, can we let you know later.

A: The event can not hold a bid or hold up decisions while teams fundraise, so a decision will need to be made prior to 17th June to opt-out.

Q: Our country didn't have a team going to WUGC, or we want more division bids, can we now come?

A: After June 17th, WFDF will be in touch with all those who have asked to be put onto a waitlist for new bids (or those who request that now). We expect to have openings for additional teams and will look to add new teams as space allows.

Q: Will all the paid players fees and team fees be transported towards 2021?

A: Yes, all teams already having paid the team fee will be granted an automatic bid to 2021. All paid team and players fees will transfer fully.

DATES

Q: What is the exact date of the event if rescheduled to 2021?

A: The event (if postponed) is planned to be hosted in July 2021. The WUGC date will be released as soon as there is a firm decision to proceed to 2021. TOC has asked WFDF to refrain from sharing the exact date, to ensure any and all contracts that are needed to be in place, are executed and firm, prior to the event date release. If a team might have conflicts on the dates in July 2021, please advise the WFDF Events team.

Q: Do WUGC dates overlap with other Flying Disc Events next year?

A: WFDF has ensured that the dates for WUGC do not overlap with WBUC, WU24, WMUC events for 2021 and has also ensured there are still some weeks between events for travelling between events. For planning purposes, WU24 will be hosted in Europe in July 2021, WBUC will happen very late in Q4 2021 in North America, and WMUC will happen in September 2021 in Australia.

HOTELS

Q: Why do I lose 25% of my hotel booking fee if the event is cancelled?

A: Hotel bookings were made directly between the teams and the TOC. No hotel funds have passed through the event budget or books and are therefore considered outside the event, such that WFDF's influence is limited. Teams will need to work directly with the TOC on this matter. TOC has stated that teams were provided the general terms and conditions when each team made their hotel booking and that 25% cancellation fee is applicable.

Q: Do we lose our hotel booking deposit if the event is postponed to 2021.

A: No – TOC have been able to arrange a deal with the hotels that all bookings and paid deposits from 2020 can be fully transferred to 2021.

Q: How much will the hotels cost in 2021?

A: TOC have confirmed that hotel rates for pre-existing bookings will remain unchanged from 2020 to 2021.

Q: If the event is postponed, we are bringing fewer/more people on the team, can we change our booking for the hotel?

A: Yes, please consult the TOC as soon as you have information to share on your bed needs.

FLIGHTS

Q: What should we do with our 2020 flight booking?

A: WFDF and the TOC have not been involved with any bookings for flights to WUGC 2020. Each team must make their own direct enquiries. We suggest you reach out directly to the service provider where you booked the flight.

Q: Our team needs to claim on our travel insurance for the lost flight costs – we need a letter stating the event is cancelled for 2020.

A: Anyone needing an official letter stating the event is not happening in 2020 can reach out directly to the WFDF events team per email who will provide it.

Q: When should we book flights for 2021?

A: WFDF will make a decision and announce if WUGC 2021 will happen by the 15th of July 2020. Until then, no date will be shared and flights impossible to book. Teams must make their own decisions when they book flights, and should take into consideration the uncertainties around the continuing impact of the pandemic. Where possible, we would suggest teams try to book flexible/refundable flights. WFDF and TOC will be holding a review of the suitability to proceed with WUGC 2021 based on any new/existing Coronavirus effects on travel by no later than 1 Jan 2021.

ROSTER ELIGIBILITY

Q: I was eligible to play at WUGC in 2020, since COVID-19 I have had to move to another country and not meet the requirements – can I still play with my team?

A: Any player who can prove they met the eligibility requirements for 2020, will remain eligible for 2021. Any NF unsure about a player's eligibility, should reach out to the WFDF events team for further clarification.

Q: Our team has had a lot of players pull out due to effects of the pandemic, can we add more players from other countries to still send a team to 2021?

A: WFDF Ultimate Committee will review roster exemptions on a case by case basis, however to remain fair to all involved, most rules will be upheld on roster exemptions especially with regard to adding playing from other countries.

DECISIONS

Q: What are the decision metrics that WFDF would use to decide on postponement or cancellation (i.e. is there a minimum number of teams per division)?

A: TOC has indicated and WFDF agrees, that without critical mass (approximately 85 teams) the fixed 2021 event costs split over too few players would not bring the needed revenue to cover the costs for 2021 (in addition to the costs for 2020 already paid).

FINANCES

WFDF recognises that the events are largely funded through fees collected by the TOC from the players and teams and currently a majority of the feedback from teams is requesting greater transparency on amounts already sunk into the 2020 event, amounts that can be converted to 2021, and for explanations on where the extra funds will be spent.

WFDF selected and appointed Team TOC to organise and stage WUGC on our behalf. Their duties are to manage all financial aspects of running the event. Setting and collection of fees from teams and players, managing contracts and payments with service providers and purchasing goods for the event was all managed directly by the TOC. Event funds are not held or controlled by WFDF, however an event budget has been shared and agreed upon during the bid and event planning phase with WFDF.

TOC has succeeded in terminating and or moving forward contracts and spending after significant negotiations with suppliers, many of which are ongoing. This has resulted in substantial improvements to the budget in case of cancellation or postponement from initial indications to WFDF. WFDF has made decisions and calculated cost estimates based on the information provided by the TOC.

The following **budget appendix- A** is a high level breakdown of event cost as provided by the TOC, who have fully managed the collection of fees as well as oversee the execution of supplier contracts and payments for services and bookings for the 2020 event. The numbers in this budget were current as of May 2020 as provided by the TOC.

2021 Expense amounts are estimates following extensive work with the TOC to trim costs by reducing or removing items. This work will continue following the firming up on team numbers for a 2021 event.

Revenue projections for 2021 are based on the assumption that 12 teams drop from the event leaving a total of 85 teams in the tournament, with no net new teams joining. Should fewer teams drop out and the final number of teams is greater than 85, the surcharge planned will be reduced.

Q: Why are we being asked to pay up to an additional €150 EUR per player for the 2021 event?

A: After a review of the budget following the postponement of the 2020 WUGC, it was shown that there was approximately a €250,000 Euro shortfall between revenue and expenses. The surcharge is necessary to close that gap and make the event viable. Currently WFDF and the TOC are considering other ways to increase revenue and decrease costs to lower the per player surcharge amount as much as possible.

Q: When will the final amount be known?

A: The surcharge amount will be calculated and made known at the same time the final go/no-go decision is being made on the tournament itself on or before July 15, 2020.

Q: What happens if the event is cancelled?

A: Should the 2021 event be deemed to be not viable, WFDF and the TOC will cancel all tournament contracts and return all available funds to teams and players. A full audit of the event will be conducted and published to ensure that every Euro which can be recovered for refund is done so. It is our hope that in such a case more than 25-30% of player fees paid can be refunded, but at this time that range is what TOC have told us can be returned.

Q: Besides the surcharge of €150 euros for players fees – will there be any other fees?

A: All players who have already paid the players fee in 2020, will be required to pay the surcharge (up to €150). All players added to rosters in addition to those already paid, will be required to pay the regular players fee €315 plus the surcharge; in total, up to €465. All non-playing team support (member of your team like coaches or staff, who are not on playing/not on the roster) will need to pay the original guest fee €175

Q: Can we have our team fee refunded?

A: No, there are no refunds on any part of the team fee, regardless of opt-out or event cancellation.

Q: What happens if we can get back to a full amount of teams for 2021 - will the surcharge come down?

A: Yes, we have made calculations based on estimates of teams sizes and number of teams and have pro-rata per player the event costs, so the more participants coming to WUGC 2021, the lower the surcharge will come.

Q: When do we need to pay more money for WUGC 2021?

A: WFDF and the TOC are planning to restart registration for WUGC in January 2021. Additional fees will be collected at that time.

Q: If our team withdraws from the event now with the opt-out refund option, can we decide later to participate?

A: Any available bids will be offered after June 17th 2020 to teams on the waitlist. There is no assurance that a bid will be available at a later date.

Q: Why has the event already paid so much out, when the event is not for another 4 months?

A: TOC have significant experience in organising and running sports events in the Netherlands. They were well organised and had spent considerable amounts of money in buying, ordering or contracting services for WUGC 2020 by the time the event was cancelled. The planning & spending by the TOC started in 2018 some 20 months ago.

Q: Why can't TOC get refunds on the money they have spent if they have not been delivered a product yet? (e.g. if they rented the fields, why can't they get that rental fee back since we are no longer playing at the venue?)

A: TOC have informed us that they entered into binding agreements when they spent the money, or made bookings and that many suppliers have not issued a refund to the TOC.

Q: How much money is WFDF making if we only get 30% back.

A: If the event is cancelled with no postponement, WFDF has not and will not receive any income or funds from WUGC. If the event is postponed to 2021, WFDF will (as originally budgeted) receive the sanctioning fee of US \$40 per player.

Q: Why did we get WMUC and WJUC refunds much higher than what is offered for WUGC?

A: Location, event timing and scale of event, including the execution of contracts and spending timelines varied considerably from the three 2020 WFDF events. WUGC TOC was early prepared and had set a lot of wheels in motion early 2020 to enable them to focus their time nearer to the event on the smaller and detailed tasks.

APPENDIX A - High level Budget WUGC - May 2020 - 1 page attached

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APPENDIX

WFDF WORLD ULTIMATE & GUTS CHAMPIONSHIPS 2020/2021 BUDGET

Expense Area	Description	Committed Costs to Date	WUGC 2021 Expenses	Original WUGC 2020 Expenses
Business Operations	Insurance, Bank Fees	€ 6,857	€ 8,716	€10,250
Office Operations Pre-Event	Meetings, Equipment, Telecommunications, Storage	€ 24,267	€ 32,842	€21,250
Office Operations Event (On-Site)	Equipment, Telecommunications, Storage, Office Rental	€ 0	€ 26,500	€51,800
Human Resources (TOC)	Staff Salaries, Legal	€ 189,013	€ 326,513	€150,000
Volunteers	Accommodations, Meals, Uniforms	€ 15,533	€ 74,710	€79,650
WFDF Sanctioning Fees	Per-Players fee	€ 0	€ 53,089	€76,692
WFDF Costs	Meeting Rooms, Anti-Doping, Office Space	€ 0	€ 7,300	€10,300
Game Advisors	Accommodations, Meals, Flights, Uniforms	€ 0	€ 24,920	€34,750
Venue	Permits, Field Rentals, Maintenance, Power, Tents, Fencing, Security	€ 29,400	€ 174,400	€176,250
Competition Services	Equipment, Waste Management, Golf Carts, Score System, Game Discs	€ 4,250	€ 36,290	€39,250
Medical	Physicians, First Aid, Supplies, Vehicles	€ 3,100	€ 16,500	€12,000
Legacy Programmes	Printing, Equipment, Discs	€ 6,906	€ 9,406	€10,000
Registration	Accreditation System & Materials	€ 0	€ 6,000	€15,790
Accommodations	TOC, WFDF, Partner Accommodations	€ 2,163	€ 14,800	€24,800
Transportation	Shuttles, Event Vehicles	€ 2,175	€ 68,700	€70,000
Ceremonies and Social Events	Licences, Waste Management, Catering, Rentals, Lighting, Venue	€ 2,500	€ 94,500	€116,500
IT & Communications	Phones, Walkie-talkies, IT supplies, Internet, Website	€ 11,238	€ 64,838	€65,600
Publications	Handbook, Newsletter, Other Printing	€ 4,962	€ 33,462	€32,000
Marketing and Media	Logo Design, Advertising, Press Relations, Broadcasting	€ 65,684	€ 151,664	€234,500
Contractors	Outside Contractors	€ 4,905	€ 11,405	€0
Value Added Tax (VAT)	Non-Recoverable if tournament is cancelled	€15,000	€ 0	€0
TOTAL EXPENDITURE		€387,953	€ 1,236,555	€1,231,382

Revenue	Description	Current	WUGC 2021 Revenue	Original WUGC 2020 Revenue
FEES				
Team Fees	97 Team Fees	€ 121,250	€ 121,250	€ 149,400
Player Fees	1409 Players	€ 443,835	€ 443,835	€ 821,700
Refunded Player Fees	Estimated as 168 Players at 30% Refund of 315EURO Player Fee		-€ 15,876	
Additional Player Fees	Estimated as 418 Additional Players		€ 131,670	
Guest Fees	Estimated as 5 Guests per team	€ 0	€ 16,600	€ 30,677
OTHER REVENUE				
Commissions			€ 29,232	€ 54,240
Sponsorship/Grants			€ 236,644	€ 170,000
Ticket & Other Sales Revenue			€ 14,150	€ 14,150
Total		€ 565,085	€ 977,505	€ 1,240,167

Available for Refund	Funds available to refund fees for teams dropping out of event	€ 177,132		
		31.35%		

Surplus/Loss			-€ 259,050	€ 8,785
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Additional Fee	Based on 1827 Total Players (85 Teams)		€ 142	
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Notes

- All expense figures are estimates based on budgeted and actual amounts provided by TOC to WFDF. Revenue figures are based on stated assumptions. Actual amounts realized may vary once various contract negotiations are finalized and or final figures audited.
- Committed Costs to Date are unaudited figures provided by the TOC as of May 2020.
- WUGC 2021 Expenses are estimates following extensive work with the TOC to review expense items. This work will continue following the firming up on team numbers for 2021.
- WUGC 2021 Revenue and surcharge are assuming 12 teams drop from the event leaving a total of 85 teams in the tournament.
- If all teams registered in 2020 (97) attended in 2021, the estimated surcharge would be 80 EURO/player.