

July 21, 2020

The Honorable Nancy Pelosi
Speaker of the House
United States House of Representatives
Washington, DC 20515

The Honorable Mitchell McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Kevin McCarthy
Republican Leader
United States House of Representatives
Washington, DC 20515

The Honorable Chuck Schumer
Democratic Leader
United States Senate
Washington, DC 20510

Dear Speaker Pelosi, Leader McConnell, Leader Schumer, and Leader McCarthy,

Over 30 million Americans toe the starting line of a road race, triathlon, obstacle course or cycling event annually. From the small community charity 5k to the 55,000 person New York City Marathon, more than 30,000 annual events sustain 500,000 jobs and generate tens of billions of dollars in tourism and economic impact. **Without further support from Congress, we are likely to see over 80 percent of this industry disappear by the end of 2020.** As you work to craft legislation to support the economy during this brutal and ongoing pandemic, the Endurance Sports Coalition asks that you consider the unique impact this crisis has had on our industry. Our member organizations in all 50 states are looking to you for bold leadership and decisive action.

COVID-19 is crushing us. With no discrimination on size, type or location, the threat of the virus brought our events to an immediate and shocking halt. Forced cancellations came early in March, well before restaurants and retailers were obligated to close by government mandate. Months into the pandemic, as states see-saw through tenuous reopenings, even those most aggressive on reopening are understandably hesitant about permitting mass gatherings to occur.

The economics of participant sporting events may seem simple from the outside, but there is a unique complexity that even active participants do not appreciate. For most event organizers, our primary sources of revenue are registration fees and sponsorships. Both of those streams dried up by over 95 percent almost overnight in mid-March as lockdowns and quarantine orders went into effect. For businesses hosting events in the spring and summer, much, if not all, of the production expenses had already been incurred. The triple impact of event cancellations, sunk costs, and customer refunds has left even the most established endurance sports companies in a perilously tenuous position.

The last four months have been the biggest challenge our industry's event operators have ever faced. According to a survey we conducted in June, the majority of our member organizations were able to access funding from the Paycheck Protection Program to keep their employees on

payroll. For 82% of those small businesses, those PPP loans have been spent completely and the remainder expect to spend their remaining funds within the next two weeks. With the path toward containing COVID-19 looking less optimistic by the day, over 95% of race directors are not confident they'll be able to hold events in 2020. As a result, these businesses are facing almost the exact same circumstances as in March.

Mass participation sports can be a key player in economic recovery. Our events fill hotels and restaurants in all corners of this country, often during the off-season when communities need the activity most. They also help raise awareness and tens of millions of dollars for charitable causes large and small. Our events motivate and inspire people to get off their couch and embrace a fitness journey that has innumerable benefits to their own health, which in turn have an economic benefit on their community. More people than ever are running, cycling and training at home during quarantine. Without your help, the hometown races which have become fixtures in many communities may not be there when it is safe to run, bike, swim, and compete in large groups again..

As you tackle Phase IV of COVID-19 relief, we implore you to include easy-to-access grant-based funding to allow the economy's hardest-hit companies to sustain their employees, cover key operating expenses and survive through to the other side of this pandemic. Over the past several months, our members have spoken with your colleagues and staff about our needs and legislative priorities. There are various proposals in the House and Senate with innovative provisions that would provide much needed assistance to our industry. We welcome those efforts. One proposal of which we are strongly supportive is the RESTART Act, which provides a fair mechanism to get funds to the businesses most in need, without bias to sector or employee count. We applaud the productive, bipartisan, and bicameral efforts of Senators Bennet and Young, and Representatives Golden and Kelly who are leading the RESTART Act in their respective chambers.

We thank you for your leadership in this difficult time and look forward to working with you to find a solution to saving our industry.

Respectfully,

Endurance Sports Coalition

IRONMAN

SPARTAN RACE

Tough Mudder

Rock 'n Roll Marathon Series

USA Triathlon

Running USA

And 850+ member organizations from all 50 states, DC and Puerto Rico.

www.endurancesportscoalition.org