

SEASONALY ADJUSTED

The one great benefit of being a teaching pro is that we are actively engaged in baseball 12 months a year. It's a full time occupation. Most of the year the days are long – admin work in the morning and early afternoon, and teaching 'til well into the evening.

Some seasons are too busy. Be careful what you pray for it may come true! We are slammed with instruction and rental from December 1 to mid-May. Rental business all but disappears in May. Mid-June lessons are very slow. Business in July and August is slow to moderate, and from September through mid-October business flares up now and then. But late October through November is easily our slowest time.

Our student base is probably much like yours - high school players in the winter and recreation players in the spring. A mix of college, high school, and recreation players come in the summer. The fall is primarily recreation players.

Without a doubt there are considerable obstacles in our business. By far the biggest is the basic and unusual ratio of revenue vs. cost of space. We need large costly indoor facilities to do baseball. Generally, our revenues can't justify the cost when applied to a standard business plan. Some areas in the country are worse than others. Here in Northern Virginia we pay \$10 to \$15 per square foot for bare warehouse space. Add utilities and the figures mount up.

But as the short peak season (December through mid-April) of total capacity hits, there probably is not one of us who hasn't said, "If I had a bigger place we could earn more money." Many of those who have, have been sorry. More space means more management, more instructors, more of everything, and in my book if not managed appropriately – less quality.

We have resisted larger growth primarily due to the lack of available and dedicated professional instructors. But the business of baseball is growing rapidly. During the winter our waiting list for private instruction ran to 8 weeks.

We will spend time these next few months examining how we can increase our business, maintain our absolute commitment to excellent instruction while holding down costs. We need to use our current 5100 sq ft. facility to its maximum.

Through our internal discussions we have explored the possibility of seasonally adjusting instructional rates. Hotels, restaurants, recreational facilities, and golf courses, all adjust their rates up or down depending on volume.

This particularly appeals to me because I would like to offer instruction to all socio-economic families. Even though our private instruction rates are far below other schools in our region, there are still many families who just can't afford the tuition.

The theory is to increase the rates during peak demand, winter and spring, and lower our rates during the slower seasons of summer and fall. If you absolutely have to have training in the peak period, you probably can afford the cost. Also, it is a simple supply and demand concept. However, by lowering the costs in the least productive time of the year we encourage instruction to new customer base, utilizing our facility and personnel more effectively and providing a steady cash flow to create year round career opportunities for instructors.

Baseball is a seasonal sport. Or is it? In our immediate vicinity there are 27 new independent (light travel) teams in the 13-15 year old age group who are playing a 50+ game schedule over spring, summer and fall. This amazing growth is not limited to the Mid Atlantic region. It is igniting all across the nation, fueled by a passionate need for quality developmental programs beyond the traditional offerings of recreational baseball organizations. Who I might add, have been asleep at the wheel for years.

I also think a case can be made for seasonal adjusted coaching and instruction. There are some seasons that some players may choose to focus on fundamental development, while not be pressured by competition. Other seasons, players may choose to concentrate on tactical coaching and performance skill execution and analysis.

With the wide range of evolving team definitions in both seasonal and competitive priorities there may exist an opportunity to redefine the instructional market.

I would appreciate your thoughts.