



## **(RE)BUILDING A TENNIS NATION AFTER COVID-19**

After two very challenging years, Tennis Canada can finally look ahead to brighter horizons in 2022 and increase its support at all levels of Tennis Development, including its High-Performance program, national competitions, coach development as well as grassroots and community tennis initiatives, which were all impacted due to the financial and restrictive effects of the COVID-19 pandemic.

### **STATE OF TENNIS CANADA FINANCIAL POSITION**

#### **OVERALL CONTEXT**

As one of the largest Nation Sports Organizations (NSOs) in the country, Tennis Canada has traditionally received little government funding for operations, as 95% of our tennis development programming is self-funded by the National Bank Open presented by Rogers events and other revenue-generating initiatives, like Fund Development. Consequently, Tennis Canada felt the impact of COVID-19 much more severely than most other NSOs, which are more reliant on guaranteed government support from Sport Canada and Own the Podium. Tennis Canada's historical financial independence made it much more vulnerable to the impact of the pandemic.

#### **IN 2020**

Tennis Canada lost a staggering \$60M of revenue in 2020 as a result of the pandemic-related cancellations of its two major events, leading to a net loss of \$8M after multiple stages of mitigation including the termination of 40% of its staff, reducing tennis development investments by 70% and securing an important bank loan to cover operational costs and maintain the capacity to carry out its mission in the future.

#### **IN 2021**

By receiving the green light from Federal, Provincial and Municipal public health authorities to host the 2021 National Bank Opens with limited fans (only 50,000 patrons per event), Tennis Canada will be able to realize a small net revenue after budgeting for a \$5M loss under the early year assumption of broadcast-only events. That said, despite a partial resumption of our Tennis Development activities, our financial commitments reached only 40% of our normal level of investment.

As a result, it is fair to say that the ongoing impacts of the pandemic, and resultant provincial regulations resulting in limited access to sport, severely restricted Tennis Canada's ability to fully restart programs and competitions. Many of Canada's best young talent were not able to compete domestically over the last 18 months and our regional junior programs were stop-start, causing havoc with player development.

#### **WHAT DOES THIS MEAN FOR 2022 AND BEYOND?**

2022 will be about helping to rebuild tennis in Canada and we are very excited for what is coming. During the last two years, we were privileged to rely on loyal corporate partners, ticket buyers and donors, increased grant funding from government as well as passionate employees who helped us limit damages. In 2022, we hope to start the rebuilding of investment in Tennis Development as well as other important areas of our business, like capital investment in our aging venues, although we still estimate it will 3-5 years before we can regain pre-COVID19 investment levels in growing our game at all levels. That said, we intend to use the recovery as an opportunity to 'build back better' by investing in areas that can make the most difference in the long term. It will not be business as usual reinvestment.

By the end of 2022 we will finalize a new Strategic Plan that will chart an aggressive 'build back better' plan. There is no doubt that High Performance will be at the centre of that plan given its proven ability to inspire both tennis participation and the tennis fan base across Canada. But we will also invest in pure participation, led by the need to jumpstart more year-round accessible tennis courts which will deliver life-long term



benefits. We will also start to redirect more investment to public park courts in an attempt to help 'organize the unorganized play' through technology and customized programming.

To help put more focus on participation, Tennis Canada decided to reorganize Tennis Development leadership with a dedicated leader for High Performance development (Hatem McDadi) and a new leader for participation and partnerships (Eva Havaris). Both roles report to the CEO.

## **STATE OF TENNIS IN CANADA**

### **PRIOR TO THE PANDEMIC**

Participation in tennis and the popularity of our sport was growing rapidly in Canada prior to the pandemic. The results of a nationwide independent study on the health of the sport done at the end of the 2018 season had demonstrated that, during that year, nearly 6.6M Canadians had played tennis at least once, which represented 18% of the population. In addition, 4.5M Canadians had played the sport at least four times throughout the course of the year, which represented an increase of 15% compared to 2016. The popularity of the sport was also on the rise. In fact, nearly 60% of Canadians had said they were interested in tennis as fans, placing it in fifth position among the 14 sports tested – one spot higher than in 2016. Quebec led the country, with tennis having the second-best fan following behind hockey.

### **DURING THE PANDEMIC**

After a decade of double-digit annual growth, a recent national independent study conducted among 1,500 Canadians indicated that tennis participation declined in 2021 due to a lack of access to tennis courts because of COVID-19 required closures. This was most evident across public park courts. In fact, and not surprisingly, the study showed that Canadians were less likely to participate in just about all sports due to severe COVID-19 impact. As a result, incremental resources and efforts will be needed to help jumpstart our sport and encourage Canadians to get active again on public tennis courts, where 65% of historical play has taken place.

We know from separate research that tennis clubs recovered well over the final months of 2021, so the focus needs to be working with municipalities and leveraging the fact that tennis is perceived to be a safe sport to play during COVID-19, due to built-in social distancing.

### **WHAT'S NEXT**

The demand remains high for under 12 participation, greater accessibility to affordable year-round tennis courts across the country, and the opportunity to help 'organize unorganized' tennis in municipal park courts making us believe that the future remains bright for tennis participation in Canada. The pandemic may have temporality taken the 'wind out of our sails', but the fundamentals of our sport are attractive and with the help of many delivery partners from Provincial Tennis Associations, Tennis Development centres, clubs and coaches, and more, we know tennis will rebound better than ever! That said, there will be many important areas of community tennis focus in 2022 for Tennis Canada.

### **Year-Round Community Tennis Courts Program presented by Rogers**

While it has been gratifying to see participation in our sport grow in the last decade, inspired by the global success of our Canadians currently playing on the ATP and WTA Tours, there remains a dire shortage of publicly accessible year-round courts, especially when compared to other leading tennis nations.

Canada has only 750 publicly accessible indoor courts across the country, which represents only 1 year-round court for every 50,000 Canadians. European nations, on the other hand, count 1 for every 15,000 or less. We believe tennis in Canada is world class on many levels, but when it comes to year-round access to tennis, we lag behind most of the world. In 2021, Rogers became the presenting partner of this program. Rogers' support, in the form of much needed capital seed money, aims to help build up to 160 new year-round courts at up to 30 new facilities over the next seven years and will help more municipalities across Canada provide affordable and accessible year-round play on covered tennis courts in their communities.



In 2022, we are on track to help deliver three new facility projects with air-supported covers in three different provinces, and we are working with many municipalities at various different stages of development, so the 'hopper' is building. In 2022, we expect to add more staff bench strength to this important work stream, especially since active projects are spread across the country.

### Pacific Tennis Centre

British Columbia is the fastest-growing province in Canada in terms of tennis participation, with participation among children leading the way. But, like the rest of the country, British Columbia is grossly under serviced for year-round tennis.

Therefore, Tennis Canada is seeking a shared contribution of the federal and provincial governments to help deliver a Pacific Tennis Centre (PTC) supporting tennis development across BC by 2023. The city of Burnaby has already committed high-value land at no charge to Tennis Canada and \$6.5M of site servicing cost coverage. Tennis Canada will also invest through reserve funding and has raised nearly \$1M from local donor pledges. The PTC will ultimately provide the lower mainland with 12 year-round tennis courts, plus 8 outdoor clay courts and 8 outdoor pickleball courts, making it by far the largest multi-court Centre in all of Western Canada.

We envision this facility as having two purposes:

- A national resource for Tennis Canada, including its Regional Junior Training Program and the new home of Canada's *only* National High Performance Wheelchair Tennis Program.
- A community-serving hub that will provide affordable, accessible, inclusive recreational tennis for lower mainland residents and deliver customized tennis programming for all demographics, including the underserved.

### U12 Participation

In collaboration with Rogers, Tennis Canada will focus on growing the game for U12 kids by relaunching the U12 pathway. The organization will provide a proper identity to the U12 Pathway and allow better alignment, promotion, and comprehension of tennis for interested children and their parents.

### Municipal Tennis

Tennis Canada in partnership with the provincial and territorial tennis associations will embark on a comprehensive strategy to develop a robust plan for growing tennis on municipal tennis courts. The plan will ultimately help those communities who are looking for additional resources in order to offer more programs or "organized play" on their existing park courts. There are many levers that the governing bodies of tennis can add to municipal park court play, including the imminent launch of the new World Tennis Number (WTN) which will provide every recreational tennis player in Canada with a number from 1-40 thereby assisting in finding players of similar tennis ability to play with. But beyond the WTN, there are many other tools like customized children's programming, access to Respect in Sport (safe sport) online training for municipal court coaches and instructors, a proven court booking system and, of course, the ongoing year-round community tennis court program. All of this programming can be offered up in a menu for municipalities to leverage for the health and wellbeing of their community members who like to pick up a racket and play tennis.



### Equality Strategy tennis development

Tennis Canada, in collaboration with National Bank, will embark on year 2 of this game-changing program. In 2021, and due to limitations on our ability to implement at the grassroots level, the Equality Strategy consisted of some important rehiring of women's High Performance coaches and a broad-based media campaign that utilized the celebrity of Bianca Andreescu titled *Girls. Set. Match.* to encourage young women in their adolescence to stay in the game. In 2022, Tennis Canada will hire a dedicated leader for the Equality Strategy and finalize a long-term plan for implementation in 2022 and beyond.

### High Performance development

While many of the initiatives will also benefit High Performance development by ensuring the base of participation is healthy, there will be many aspects of the 2022 rebuild against High Performance. These will include building additional capacity against the U15 pipeline, the Montreal National Tennis Centre presented by Rogers, the Regional Junior Programs in Vancouver, Toronto and Montreal and the hiring of a new leader for Sports Science. Tennis Canada will also restart many important competitions, including the National Bank Challenger series, new ITF junior events and the testing of innovative shorter and team formats for younger players.