

Economics and Practices

Date: October 26, 2023

Source: Excerpts from "Scene - App Interrogation GoPro TXT.txt"

Subject: Review of research into the economic impact and integrity of youth sports, particularly baseball and softball tournaments, primarily in Oklahoma.

Key Themes and Most Important Ideas/Facts:

This briefing document summarizes the key themes and most important information gleaned from the provided transcript of an investigation into the economics and practices of youth sports, specifically focusing on the United States Sports Specialty Association (USSSA) and related activities in Oklahoma. The investigation is driven by a personal tragedy and a desire for reform, highlighting a lack of transparency and potential irregularities in the handling of tournament entry fees and associated revenue.

1. Investigation Origin and Motivation:

The investigation is deeply personal, stemming from the tragic death of the speaker's oldest son, Brian, in 2005.

A seed was planted to build a sports complex in his memory, which led to the speaker's immersion in the world of youth sports.

A key turning point was the denial of a proposal to name a high school baseball field after Brian, leading the speaker to believe the issue was "bigger than pray" and to investigate the broader landscape of youth sports.

The speaker is currently pursuing a doctoral study on "Integrity of the game versus economic impact. Politics. The Oklahoma business plan." This academic pursuit provides a framework for the detailed data collection and analysis.

Quote: "So in 2005 Brian, my oldest son, was tragically killed in a car accident and a seed was put in our hearts to build a sports complex. In his memory and through doing this process of building this sports complex, there's no guidance... this has never been done. And so off we go on our journey."
(0:08:31:14 - 0:09:08:16)

2. Data Collection Methodology and Challenges:

The investigation relies heavily on manually collecting data from online sources, primarily the USSSA website.

A significant challenge identified is the lack of easily exportable or quantifiable data on the website, particularly regarding tournament entry fees and team counts in earlier years.

The speaker developed a manual Excel spreadsheet to track data from 2016 through 2024, recognizing the time-consuming nature of this process.

Early data from 2001-2005 often showed "question marks" for team counts, requiring the speaker to initially estimate team numbers (6 for baseball, 8 for softball) and assign an average entry fee (\$111.36) to quantify the potential revenue.

More recently, the speaker discovered that some event listings from earlier years, while initially showing question marks, contained hyperlinks that *did* reveal actual team counts, significantly improving the accuracy of the data.

Quote: "But you have no way to quantify. No way to export it. None of that. So I developed a Excel spreadsheet... That track that I manually tracked all this data. From 2016 through 2023. And then updated 2024." (0:20:43:14 - 0:21:14:03) Quote: "So early on I felt that the software wasn't being utilized properly by these directors. More question marks and wondered why they would even have this stuff on in it. Well, actually, they don't have where you can publicly get to it on a filter. Look at all that. Are these there's 110 events that took place this year. No team counts." (0:48:25:20 - 0:49:13:13) Quote: "But you can go in here and we'll look at 2014 baseball... And was able to. Find some data. We'll go to the 2002 season, and it was there all along... Actually pulls up the teams. Bam! So now there's no more guessing on team counts at all." (0:53:12:08 - 0:54:43:07)

3. Financial Findings and Suspected Irregularities:

The manual data collection has revealed significant amounts of money flowing through youth sports tournaments in Oklahoma.

An initial manual study of Buck Thomas sports complex in Moore, Oklahoma, from 2016-2024 estimated \$1.3 million in tournament entry fees.

A broader manual data extraction of all events from 2016-2024 showed over \$13 million paid to 17 tournament directors in Oklahoma, plus sanctioned fees to USSSA state and national offices.

Utilizing the newly discovered data with actual team counts from earlier years (2001-2009 partially completed, 2010 season mentioned), the estimated total tournament entry fees

across the state has significantly increased, reaching \$34 million in the current data set, with a lot more question mark data still to be added.

The speaker expresses concern and questions the financial practices within municipalities hosting these events.

There is suspicion of a lack of accountability and transparency regarding how these funds are handled, particularly in the case of Buck Thomas where the city of Moore allegedly "did not want to know anything about" the finances.

The speaker highlights that when seeking to operate at Buck Thomas through an RFP, the city's focus was on "customer service only and did not want to bring about finances as a motive for just cause." (0:22:31:13 - 0:22:40:01) This suggests a potential avoidance of scrutinizing the financial aspects of the operation.

The re-appointment of the same personnel (minus two) at Moore Youth Baseball Association to operate Buck Thomas, despite the large sums of money identified, is seen as a lack of accountability and a failure to "recoup that" money.

Quote: "And it was over \$13 million that was paid to 17 tournament directors in the state of Oklahoma and sanctioned fees that are paid to the state of Oklahoma. You say office and sanction fees that are sent to Florida. National office. You Triple-A. Say." (0:23:03:21 - 0:23:26:18) Quote: "But we're at \$34 million in tournament entry fees and three of it went through. But Thomas and Moore, Oklahoma... I grew to 14 million." (0:52:05:10 - 01:02:10:13) Quote: "Nobody set out to recoup that. Nobody questioned their records that they their financial statements that they provided that did not have this information on their." (0:26:04:18 - 0:26:21:12) Quote: "But it's a taxpayer facility. And we have no accountability, transparency and a lot of trickery and fraud." (0:41:10:00 - 0:41:25:11)

4. Contrast in Municipal Approaches and Potential "Cutting the Middleman":

The speaker contrasts the situation at Buck Thomas with that at Choctaw Ball Sports Complex.

At Choctaw, USSSA and a national softball organization confirmed they would continue to host events even without BCM sports (the previous operator), suggesting they were willing to "cut the middleman out."

This contrast implies that some municipalities may be tied to existing operators in ways that prevent more transparent and potentially profitable arrangements.

Quote: "As, as as the opposite occurred when I was at Choctaw Ball Sports Complex when the city of Choctaw was calling Oklahoma you triple assay office. If we get rid of BCM sports, will you stay? And they said yes, we'll have events there. Without BCM sports... they cut the middleman out."
(0:26:43:18 - 0:27:41:10)

5. Lawsuit in Florida and Hope for Reform:

The speaker discovered a lawsuit filed in the U.S. District Court for the Middle District of Florida (Bryan Wegman, Thomas Orum plaintiffs vs. USSSA, et al., Case number 23-1637). This lawsuit is seen as a potential avenue for reform, and the speaker has communicated with the plaintiffs' lead attorney.

A later filing in this lawsuit (April 17th, 2024), referred to as the "leverage filing," is particularly significant as it lists specific USSSA Midwest components and their ties to family members of USSSA officials (specifically mentioning the Fortuna family in Kansas, Missouri, and Oklahoma).

The speaker believes this filing provided "leverage" that may have led to a settlement, but the details of the settlement are unknown, raising concerns about whether reform will actually materialize or if it will be "swept under the carpet."

Quote: "And come across a lawsuit. In the United States, district Court for the Middle District of Florida... Bryan Wegman, Thomas Orum plaintiffs versus the United States Sports Specialty Association. And Donald Dantas, the third, Richard Fortuna, Wendy Anderson Courtney, CEO, and Jacob Hornberger." (0:41:51:02 - 0:42:33:19) Quote: "And in this filing, I call leverage. Page 33. Specifically. List. YouTube is a midwest consist of five components and has significant ties to family members of defendant Fortuna and board member one." (0:44:04:05 - 0:45:02:20) Quote: "I think that this is the leverage filing that got you your policy to settle out of court, and I can't find out what's been settled. So now we get into the hopes for reform out of the state of Florida, or swept under the carpet." (0:46:08:08 - 0:46:24:08)

6. The Role of "Question Marks" and Hidden Data:

The recurring presence of "question marks" for team counts in early data is a central theme. Initially seen as a lack of data, the discovery of hidden hyperlinks within these entries revealing actual team counts is a breakthrough.

This highlights a potential intentional obfuscation of information or at least a lack of transparent data management in earlier periods.

The speaker notes that "when we get into the league play, where all these teams play and it's not documented, and you say that it's hidden, but you can see all of these in a lot of these have question mark." (0:30:44:10 - 0:30:54:15) This suggests that some league activities may also be intentionally difficult to track financially.

The speaker emphasizes that "The games tell you everything," indicating that despite the hidden financial data, the fact that games were played is undeniable and serves as proof of economic activity.

Quote: "And on the surface, this makes it look like, you know, hey, no, these events mean because there's a listing up here with teams. And then you get into the question marks." (0:2:33:04 - 0:2:59:10) Quote: "The games happen when you do a deep dive into youth sports. You can't start by trying to follow the money. They hide it. You get to follow the games. The games tell you everything. And these games have been played get into economic impact." (0:28:50:19 - 0:29:11:13)

7. Economic Impact Analysis and Data App Development:

The collected data is being used to build a comprehensive picture of the economic impact of these youth sports activities.

The speaker is developing an app to visualize and analyze the data, including interactive charts.

Beyond just tournament entry fees, the analysis is quantifying potential revenue from gate fees, concessions, and umpire payments, leading to substantial estimated total event income and net figures (currently estimated at \$110 million and \$88 million respectively).

The app also tracks director payments, showcasing the significant income generated by tournament directors.

The economic impact is being broken down by county, highlighting areas with the most activity (Oklahoma County, Tulsa County, etc.).

Quote: "Right now we are at \$34 million of tournament entry fees... Our gate fees... Is at \$28 million. Our concession was half half of our gate. 25 million. Our umpire graph. \$18 million. Paid umpires... Event net \$88 million. Event income \$110 million. Directors. \$4.4 million." (0:59:35:12 - 01:01:14:23)

Quote: "Economic impact right now is hundred and 84 million. We can break it down by county." (01:08:24:16 - 01:08:42:20)

8. Call for Reform and Resistance:

The underlying motivation for the entire effort is a call for "reform" in youth sports.

The speaker expresses frustration that despite the significant financial findings, "nobody really cared about" the data, as it's often dismissed as just "little league use sports."

There is a perception of resistance to change, possibly due to the significant financial interests involved and potential "deals made behind the scenes."

The "ripple effect" of the existing system is seen as being "too great" to easily overcome.

Quote: "Why? Because we need reform. We don't need a complex for me to operate... But I'm worried about the future. Use sports... and to be honest with you, I mean, it all started... Back at why my municipality could not provide public safety." (0:33:29:06 - 0:34:33:21) Quote: "And went out to save the world with a manual data that nobody really cared about. This has been going on for years. Nobody really cares about. It's only \$13 million. It's just little league use sports." (0:40:52:00 - 0:41:10:00) Quote: "And nobody listens. The ripple effect is too great." (0:52:43:02 - 0:52:49:10)

9. Shift from Community-Based Programs to Competitive Tournaments:

The speaker notes a shift over time from community-based youth sports programs to more competitive USSSA tournaments.

This shift is linked to the "demise of community based programs," suggesting that the rise of the competitive tournament model has negatively impacted local, potentially more accessible, youth sports.

Quote: "And as the videos that we showed earlier, the activities in 1998 at Lions Club Ball Fields when it was a community based program. And you start seeing the inception of you triple as a and the tournaments and more competitiveness you have the demise of community based programs." (0:39:13:11 - 0:39:47:10)

Conclusion:

Briefing Document: Investigation into Oklahoma Youth Sports

The provided transcript reveals a dedicated and extensive investigation into the financial landscape and operational practices of youth sports tournaments in Oklahoma, particularly those sanctioned by USSSA. Driven by a personal tragedy and a commitment to reform and transparency, the speaker has meticulously collected and analyzed data that suggests a significant amount of money flows through these activities with potential irregularities in accountability and transparency. The discovery of hidden data in earlier records has significantly bolstered the financial estimates, highlighting the substantial economic impact of these events. The lawsuit in Florida, while offering a glimmer of hope for reform, is now overshadowed by the uncertainty of a potential settlement. The speaker's ongoing doctoral study and the development of a data app underscore a commitment to exposing these findings and advocating for change, despite facing apparent resistance from various entities. The investigation suggests that the competitive tournament model, while generating significant revenue, may have contributed to the decline of community-based youth sports programs.