



Report to the Legislature

State of Hawaii

Regular Session of 2006

Feasibility Study
In response to SCR #155

Prepared by:

Department of Business, Economic Development, and Tourism
November 28, 2005

TABLE OF CONTENTS

Legislative Request	3
Summary	3
Introduction	4
Findings	4
Organizing Committee	4
Practical Issues	6
Stakeholder Support	7
Tournament Life Cycle	9
Recommendation	9
Reasons	9
Conclusion	11

LEGISLATIVE REQUEST

On May 3, 2005, during the Twenty-Third Legislature of the State of Hawaii, Regular Session, Senate Concurrent Resolution (SCR) No. 155 was adopted. SCR No. 155 requests that the Department of Business, Economic Development, and Tourism and the Hawaii Tourism Authority convene a work group of interested parties to examine the feasibility of hosting an International Pacific Asian Youth Baseball League Championship Tournament in the State.

Contributing members to this feasibility study:

1. Carl Watanabe, Babe Ruth League
2. Representative Ken Ito, Hawaii State Legislature–48th Representative District
3. Al Kam, Hawaii Youth Sports Foundation
4. Don Takaki, Island Movers
5. Gwen Earll, PONY Baseball
6. Dan Aono, Central Oahu Youth Baseball League
7. Don Botelho, Interscholastic League of Honolulu
8. Dwight Toyama, Oahu Interscholastic Association
9. Hervy Kurisu, Hawaii Winter Baseball
10. Glen Kajiwara, City & County–Department of Parks and Recreation
11. Randy Headley, Kids International Diamond Sports/Kids Baseball
12. Michael Story, Hawaii Tourism Authority
13. Marsha Wienert, State of Hawaii

The Resolution resolved that the Department of Business, Economic Development, and Tourism in consultation with the Hawaii Tourism Authority is requested to report its findings and recommendations to the Legislature twenty days prior to the convening of the Regular Session of 2006.

Summary

Sports events constitute one of the most exciting and fastest growing forms of leisure, business, and tourism related phenomena. Cities, States and Countries continually search for new, exciting sports events that would attract tourists, enhance quality of life for its residents and stimulate business opportunities. Hosting an International Pacific Asian Youth Baseball Tournament (IPAYBT) would most likely have a positive impact on tourism and the state economy, generate good publicity, and reinforce Hawaii as an attractive visitor destination. Recognizing the positive impact sports events have on the State, the Legislature is interested in examining the possibility of bringing an IPAYBT to Hawaii, but is uncertain about the feasibility of such an event.

The purpose of this report is to help answer the main question, “Is it feasible to host an International Pacific Asian Youth Baseball League Championship Tournament in the State?” First we must understand what is meant by the word “feasible.” The Webster’s dictionary defines the word “*feasible*” as: *capable of being accomplished*. After research it has been determined that when using the Webster’s dictionary definition the

answer to the main question is, yes, it is feasible to host such a tournament. A field could be reserved, a few teams could be invited, and a couple games could be played. However, I do not believe this scenario accurately represents the spirit of the resolution. Therefore, in order to help provide the proper response to the main question it is necessary to redefine the word “feasible” and split the main question into a set of sub-questions. It is only after the definition and sub-questions are answered that a solution to the main question of feasibility can be determined.

For the purpose of this report, *feasibility* is defined as being “*desirable, viable and suitable.*”

Sub-questions:

1. Who is involved in the organizing committee?
2. Does the capacity to host the event exist with regards to the following practical issues: timing, housing, rules and format, and venue concerns?
3. Will it be possible to gain the support of the stakeholders needed for the event to succeed?
4. What is the tournament life cycle? Should this event occur only once, or is there impetus to hold the event every year?

Introduction

As the fundamental nature and goodwill of sports events continue to grow, municipalities have realized the need to capitalize on these events in order to enhance the image of their communities and to attract tourists. Building a portfolio of sports events has become an important step for promoting an active community. Hawaii is no different – we need to promote our State and try to support the image of the active lifestyle.

However, having the interest of only one or two organizations is not going to be enough support to promote the active lifestyle or make any event a reality. For a tournament to actually come to this State, many organizations contributing resources to the event must be convinced that the tournament will be beneficial enough for them to take the financial risks associated with hosting such an event. Because of the risks involved in bringing an event to a community, it is critical to perform an accurate analysis of whether or not the event will succeed.

FINDINGS

Organizing Committee (Sub-question #1)

The first step to measuring success is the creation of an organizing committee of interested parties familiar with youth baseball. The study found that the three most likely organizing committee scenarios are: 1) Assemble a local organizing committee; 2) Work with an outside organization that already hosts a similar tournament; or 3) Support a locally based youth foundation which shares the vision of organizing and staging an

IPAYBT. Each scenario requires a different amount of investment and may attract a different number of participants, stakeholders and sponsors to the event.

Which scenario is the most desirable and suitable? Each scenario has different consequences for the involved organizations. Through research it has been determined that there is interest in scenario number one, assembling a local organizing committee. Individuals and associations from both the public and private sectors have come forward acknowledging the desire to assist with such an event. Although interest for the event is evident, interviews conducted to this point have yet to yield an individual or association willing to fully support the event by taking the lead role in organizing the event.

Taking into consideration the second scenario, working with an outside organization is another likely possibility. Currently there is an organization called Kids International Diamond Sports, otherwise known as Kids Baseball. Kids Baseball specializes in international youth baseball tournaments. Annually, in June, Kids Baseball hosts an international youth baseball tournament in Hawaii called the "Hawaii World Series." This tournament has already solidified a large international following and has shown interest in adding Asian teams into its Hawaii based tournament, which in previous years it did not include.

If the answer is scenario number two, partnering with Kids Baseball, then the three remaining sub-questions regarding practical issues, stakeholders and tournament subsistence need not be addressed. The reason being, Kids Baseball has the answers to the practical issues. For instance, they hold the tournament in June (the 2006 tournament will be held June 22 – 29), have a partner hotel, and have set venues. They have also solidified their stakeholder base and have held the Hawaii World Series for a number of years and are planning on continuing this tradition.

The third scenario, supporting a local youth foundation that wants to take the lead in organizing and staging an IPAYBT is another avenue of choice. Presently there is a local non-profit organization called the Hawaii Youth Sports Foundation (HYSF). This foundation operates the Hawaii Collegiate Baseball League and the Amateur Athletic Union's (AAU) Hawaii baseball division. The HYSF under the AAU has begun the initial stages of organizing an IPAYBT called the "Hawaii Elite Baseball Classic." This is a 64 team tournament that will be held in June. Of the 64 teams, 16 are from Hawaii, the other 48 are from North America, Central America and Asia.

If the solution is scenario number three many of the sub-questions have been answered. For example, the date for the tournament is June 22 – 28, partnerships are being formed with hotels, and venues are being arranged. HYSF is in the process of firming up their stakeholder base and although this is an inaugural tournament, they are planning for future years.

In order to host an IPAYBT in our state it must be acknowledged that the most logical solution may be to support scenario two and/or three. However, due diligence requires us to look into scenario number one, assembling a local organizing committee.

Practical Issues (Sub-question #2)

If a local organizing committee shows full support and interest in taking the responsibility of organizing and staging an IPAYBT, the three remaining sub-questions must be addressed. The first of the three deals with practical issues surrounding a tournament: timing, housing, rules and format, and venues.

Timing

Timing for this tournament is crucial. It has been determined that inside a calendar year there are two possible intervals to host such an event: within the month of March, when children are on spring break; or sometime between mid-June through mid-July, when children are on summer break. Given that spring break and the start of summer see an increase in tourism, these intervals would require travel bookings well in advance. It should also be noted that from the possible intervals listed the month of June is the best month as it works with most team schedules.

Housing

Due to the expense of teams traveling to Hawaii, housing becomes a significant issue in the planning process. After discussions with certain contributing members it has become clear that the tournament would play host to numerous teams, precluding the cost savings idea of home-stay/billeting. Rather, hotels would most likely be the form of housing used. The initial idea is to gain as much interest internationally from teams to travel to Hawaii to take part in the event and drive hotel occupancy levels higher. One significant area dictating team interest surrounds the tournament rules and format.

Rules

Critical to the success of any tournament and to draw a significant amount of participants, rules and format must peak the interest of many teams. One way to gain interest from a vast array of teams is to work with multiple youth baseball associations. Working with different baseball associations, such as Babe Ruth League/Cal Ripken, PONY Baseball or Little League, means dealing with several variations of rules. Establishing the tournament age groups drives the complexity of rule variation. For example, if the youth tournament seeks to attract players that are 12-years and younger then multiple variations of different associations' rules need to be discussed. Conversely, if the youth tournament seeks to attract players that are 13-years and older the rules become fairly standard across all associations. Still, an organizing committee may also want to look into the possibility of hosting a high school tournament. This proposal would standardize rules and eliminate the need for youth baseball association rule negotiation. Deciding the age group of the tournament will have a significant effect on team interest in the tournament and therefore needs to be well thought out. Whatever criteria are chosen for age groups, the format of the tournament must also be resolved.

Format

The spirit of the tournament will depict the competitive nature of its format. For instance, should the tournament focus on winning and recognizing the best team? If so, double-elimination may be appropriate. If not, should the tournament focus on relationships and the fun of playing the game? If so, perhaps a round-robin should be used. The tournament format is a strategic decision that will need to be made by the organizing committee. However, all these practical issues just discussed have no bearing until it is established that a proper venue can be secured.

Venue

It was important to investigate whether Hawaii has the physical requirements associated with hosting the event. After interviews, it has been determined that Hawaii does indeed have the venues and the proper requirements to host such a tournament. Still, an available time in the venue's schedule must be found and aligned with the timing intervals discussed earlier in this report.

Stakeholder Support (Sub-question #3)

Another measure of event success is the support of stakeholders. A prudent organizing committee would ensure that stakeholders play an important and supportive role in the design and development of tournament strategies. This means that stakeholders must be considered when deciding event characteristics to ensure the most optimal characteristics are chosen.

If the desires of stakeholders are only taken into account after an event has been established, it may be found that the whole motivation for setting up the event is unfounded. Clarification of support not only establishes the importance of the actors involved, but also can identify their actual desires. This information is useful when deciding between events with different characteristics, such as the unique rule variations different age groups would offer and the timing of the tournament.

The stakeholders involved with an IPAYBT include the local baseball community, the sponsors (both public and private), and the players in the tournament. While certain stakeholders may play a bigger role in determining the feasibility of the tournament than others, the belief is that the tournament will not be desirable or suitable without the support of each one of these stakeholders.

Local Baseball Community

Having the support of the local baseball community is very crucial in bringing an event to the State. The majority of the audience and volunteers belong to this group, so when people in the baseball community take responsibility, feel a part of the tournament and show their motivation to support the event, it has a much better chance to succeed in the long run.

Members of the baseball community that were interviewed seemed to realize the benefits that such an event would have on baseball in the region and were interested in hosting the event. It was noted by one interviewee that an IPAYBT coupled with Hawaii winning the 2005 Little League World Series would further increase youth baseball participation in the State and provide a path for local baseball players to advance to a higher level.

Sponsors

The attitude of sponsors towards an IPAYBT in Hawaii determines if enough financial support can realistically be raised by sponsors to make the tournament feasible. Without the support from sponsors, few events can succeed or even be established. A planning committee would need to immediately assess whether there is enough support from both the public and private sectors to raise all money needed for the event to be financially affordable. However, it should be noted that it is difficult to judge the sponsors' willingness to commit resources before the event actually exists. Usually it is not until the event is scheduled, and the teams are determined that one will know for sure whether the sponsors will actually invest money in the event. Consequently, various methods can be used to circumvent this issue. For example, trends and past willingness of companies to sponsor similar events need to be analyzed. Another key ingredient in gauging potential sponsor interest is evaluating respective industry health and the general strength of the economy.

Furthermore, when specific teams have committed to playing in the tournament, additional sponsors may be revealed. The ability to expose the teams as soon as possible could have a tremendous effect on the success of a tournament. Not only can certain teams increase the interest of particular sponsors but they can also be used as a catalyst to build an exciting tournament team roster.

Teams

As stakeholders, teams will seek benefits the tournament will provide that outweigh the costs associated with the event. Because teams are looking out for their individual interests, it is inevitable that conflicts will be created when teams share different desires. Being able to prepare for and avoid potential conflicts is one of the central issues the organizing committee will need to confront. To insure an adequate participation level, team commitment incentives should be explored and creative cost cutting measures should be passed on to such teams. If a suitable quantity and international mix of teams do not participate in the tournament it is possible that there will not be a desirable audience. Without an attractive mix of teams creating a desirable audience, possible sponsors may choose not to be involved with the event. Without enough sponsor dollars, pressure may be put on the other stakeholders to fill voids left by uninterested sponsors and the event could face possible failure.

Tournament Life Cycle (Sub-question #4)

When a tournament is established, often the beginning years are not a financial success, but this is built overtime. Although it is not clear if the resolution wanted a one-off tournament or an annual event, through interviews the general consensus was this tournament should be held annually. Additionally, the financial implications in establishing a tournament justify a long-term perspective. The chances of an IPAYBT generating profit in the first two years are small. According to event statistics, it usually takes three or more years to build up enough interest from the teams, audience, media and sponsors for tournament promoters to turn any profit.

RECOMMENDATION

The Department of Business, Economic Development, and Tourism in consultation with the Hawaii Tourism Authority recommends the stewardship of hosting international youth baseball tournaments be left to entities like the HYSF and Kids Baseball. No other tournaments should be formed to compete against currently scheduled events.

Reasons

The tournament organizing committee scenario

For a number of years Kids Baseball has staged an international youth baseball tournament in our State and plans to continue. Further, after interviewing Kids Baseball they showed interest in adding teams from Asia to their tournament roster.

The HYSF is a new local non-profit entity. The founder has for years been heavily involved with the local baseball community and wants to support Hawaii youth baseball by organizing tournaments and clinics at the international level.

If a local organizing committee chose to take responsibility to organize a similar tournament it would be in direct competition with two, established tournaments. Rather than the State realizing a benefit from the committee's formation and an attempt to stage an IPAYBT, it would most likely cause unnecessary competition and inhibit the promotion of international youth baseball in Hawaii.

Practical issues need to be explored

Timing, housing, rules and format, and venues are extremely important. The timing of the tournament probably has the biggest impact. The best month to host an international tournament is June. The month of June works best for most international team schedules and school calendars and it takes place right before the busy summer tourist season. Both tournaments discussed in this report will be staged in June. Hawaii will play host to almost 100 international youth baseball teams, their friends, and families.

Due to the current trend in summer arrivals it would not be advisable to host another tournament in July before kids went back to school. Hawaii has a supportive baseball community, but if the timing is wrong housing and venues may be harder to secure, transportation could be more costly and potential stakeholders may feel the tournament does not fit their needs.

Beyond the issues of timing, housing, and venues are the rules and format. The type of rules and format employed will also have an impact on what teams will commit to playing. Setting the age category at 13-years and older will yield standardized rules and thus may be attractive to more teams. In their first year the HYSF is targeting high school teams. On the other hand, Kids Baseball will attract a full range of age groups, from 8 and under to 19 years of age. These two tournaments will bring the entire age spectrum of youth baseball to Hawaii.

Interest of initial stakeholders interviewed seems to exist

Interest must not be confused with support. When interviewed, stakeholders already knew about Kids Baseball's "Hawaii World Series," but they were also interested in the idea of having the State play host to another similar tournament. The tournament that HYSF is organizing may satisfy their interest, however full support of the event would come at a later date when complete tournament details and teams are disclosed. The chance of HYSF establishing a successful event is a real possibility, but questions need to be answered, such as: Does the event fulfill the main requirements of each stakeholder? It is important to take into consideration the importance of each stakeholder and to measure their support prior to establishing the event. The failure to measure their support and account for their preferences and event requirements can result in a low audience and volunteer turnout, dissatisfied teams and little interest from the media and sponsors.

The tournament should be viewed as an investment

It takes time to build tournament recognition, audience, media support and sponsor interest. Therefore, a long-term perspective must be taken for the HYSF tournament to become successful. The chances of this event generating a profit in the first few years are small. Initial media coverage will be limited, and gate receipts will bring in little revenue, so sponsorship money will be the main revenue source and needs to cover the operational costs of the event. It will be extremely important to find strong sponsors that are willing to commit resources over multiple years. Further, the title sponsor is the most critical one to identify. However, once identified, the chances are great that other sponsors will follow. This can result in the ability of achieving the main objective of the event and increase the possibilities for a desirable, viable and sustainable event.

The event can have many benefits for the State

Both tournaments can have many beneficial impacts on youth baseball in the region. They can serve as a motivator for many future players. The tournaments can further improve the cooperation among the local clubs and enhance the attitudes for baseball in

the State. They can also be beneficial by adding modest economic impact, improving the lives of residents and further promoting the State as an active tourist destination.

Conclusion

The aim of this report was to determine if hosting an IPAYBT is feasible for the state of Hawaii. To find an answer, the term feasibility needed defining and sub-questions were required to be asked. The report was able to determine that hosting an IPAYBT is viable, but a number of factors needed to fall into place before the tournament could be considered desirable and suitable.

First, an organizing committee needed to be established. The three scenarios posed in this report dealt with assembling a local organizing committee, partnering with an outside organization that currently specializes in the field of international youth baseball, or supporting a current local youth non-profit organization that is currently organizing their inaugural tournament. Second, the practical issues of timing, housing, rules and format, and venues were also discussed. All practical issues are seemingly interconnected and dependant on one another. Third, the report identified stakeholders from both the public and private sectors whose support would be needed for a tournament to be successful. Fourth, there is a need to recognize that a tournament held only once would have much less significance to all involved when compared to a tournament that is held on an annual basis.

After compiling interview and research notes and analyzing the information against the reports definition of feasibility and the sub-questions asked it is recommended that hosting international youth baseball tournaments be left to entities like the HYSF and Kids Baseball. No other tournaments should be formed to compete against currently scheduled events.