
Federal Hockey League Expansion Recommendation

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August 16, 2021

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Location Recommendation: Hays, Kansas

Executive Summary



Growing, young population of 21,000 further bolstered by nearby university

Established dining scene with a population often dining-out

Vacuum of professional sport teams in the area

Background

The Federal Hockey league was tasked with selecting a suitable location for a Western Division expansion team. **The purpose of this summary is to evaluate the two finalist locations, Hays, KS and Alpena, MI, and provide a recommendation for the expansion.**

The Federal Hockey League's ideal expansion location meets the following:

- Small but stable or growing community with no major professional or university teams nearby
- Local dining options already available with a utilizing population

Recommended Action

Of the two finalist locations, **Hays, Kansas is the more suitable expansion site.** While population growth of 0.9% is expected in the next few years, the populations

earning \$100,000-\$149,999 and \$150,000+ each are expected to increase greater than 20%. Hays has an excellent, young (median age of 31) demographic keen on dining out and would take advantage of a newly formed minor league team.

Fort Hays State University

provides an influx of approximately 16,000 students in the winter months, adding an additional base of fans during the heart of the league's schedule.

Nearby highways and interstate allow for easy travel from nearby locations, expanding the potential fan base tied to this newly formed organization. **A local airport with flights to Colorado** logistically also allows for easy away game travelling.

Rejected Option

While a suitable finalist, Alpena, MI did have some **significant issues** that made it a non-ideal expansion location. The availability of an airport with service to Detroit and Minnesota would effectively facilitate away game travel. Nearby highways would have generated an expanded fanbase beyond just Alpena.

Alpena also was the site of a CJHL team, demonstrating that the resources needed for a minor league organization are available.

However, with a **decreasing overall population already smaller than Hays' that is projected to decrease further** (by 1.2% in the next few years) and a **tourism market only viable in the summer months** after the conclusion of the season, the location does not have the suitable size to warrant expansion.

While there is a community college nearby, the influx of students is minimal especially when compared to the state university located in Hays. Hays' population itself of almost 21,000 more than doubles Alpena's.

Action Steps

1. Begin discussions with Hays city leadership around the needed facilities (ice rink, lodging, etc.) and their availability
2. Begin community outreach to the local population to generate excitement around the newly formed team following selection
3. Alert other teams within the Federal Hockey league of the decision to allow for early preparation and a successful expansion season

Methodology

Demographic Data

To best assess the populations comprising these two communities, we consulted the below sources:

- 2019 American Community Survey (ACS) 5-year estimate data via CensusReporter.org
- 2000 and 2010 United States Census Data via Gale Business DemographicsNow
- 2020 estimated and 2025 predicted census data (Gale Business DemographicsNow)

Consumer Data

Further, to better understand the behavior and preferences of these populations, we delved further into the following consumer data sources:

- Mosaic Population Summary Index Reports to determine the major “groups” living in each community and their preferred activities and interests (Gale Business DemographicsNow)
- Simmons Entertainment, Leisure, and Dining Summaries to assess how the residents in each community’s behavior and interests stack up against a “typical” American

Open Web Research

Additionally, we completed open web research beyond just census, demographic, and consumer reports to better understand not just the population but the area itself and any advantages one may have over the other due to its location

- Google Maps to better understand the area as a whole and determine the accessibility of the location, specifically highways, airports, etc.
- Enrollment information for Fort Hays State University and Alpena Community College was discerned through university ranking websites
- Wikipedia to quickly and at a high level identify key qualities and details of a particular community, allowing for further deep dives into news articles, etc.

Population Dynamics and Growth

Both Hays, Kansas's historical and projected population growth are **assuring signs of a stable community**. Alpena, Michigan, on the other hand, has shown a clear history of decline and projects to decrease further over the coming years, according to the Gale Business DemographicsNow Complete Demographic Summary Report.

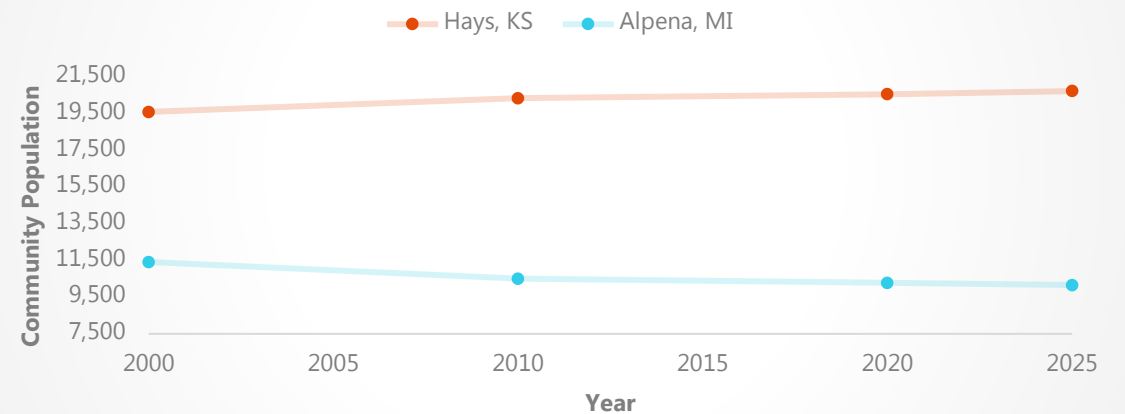
Specifically, **Hays has grown 3.8% from 2000 to 2010** and is further expected to **grow 0.9% from 2021 to 2025**. While this may just appear to be negligible or modest at best growth, the specific demographics that are increasing within Hays are an encouraging sign for an FHL expansion location. Again according to Gale Business's Complete Demographic Summary Report, **the populations making between \$100,000-149,999 and \$150,000+ from 2021 to 2025 are projected to increase 20.2% and 24.8%, respectively**. While the exact make up of the Hays population will be detailed later, this specific demographic's increase is a strong positive marker for Hays that a population with the means to dine out and take in a game will be present within the community.

Additionally, according to a US News article detailing the colleges within the United States, Hays has the added advantage of a state university being nearby. **Fort Hays State University injects approximately 16,000 additional students into the community already hovering around 21,000 members** (2019 ACS 5-year estimate data vis CensusReporter.org). This injection not only bolsters the town's economy but nearly doubles the potential fanbase tied to this expansion team.

With virtually no nearby competition, as well, the winter-to-spring hockey season schedule would be the only local option to take in a sporting event for 35,000+ community members.

This population number dwarfs the pool of community members tied to Alpena, which stands only at around 10,000 (2019 ACS via CensusReporter.org). While Alpena has grown into a desirable summer tourist location (TheAlpenaNews), this falls out of season and the injection of community activity is inapplicable. Further, Alpena Community College, with a total enrollment of only around 1,400 (US News) does not have the same effect on the community as Fort Hays would. Thus, the population dynamics and shifts for Hays are far more desirable when compared to Alpena.

Hays, KS nearly doubles Alpena, MI population and continues to grow, while Alpena Declines



Source: 2019 American Community Survey 5-year estimate data vis CensusReporter.org

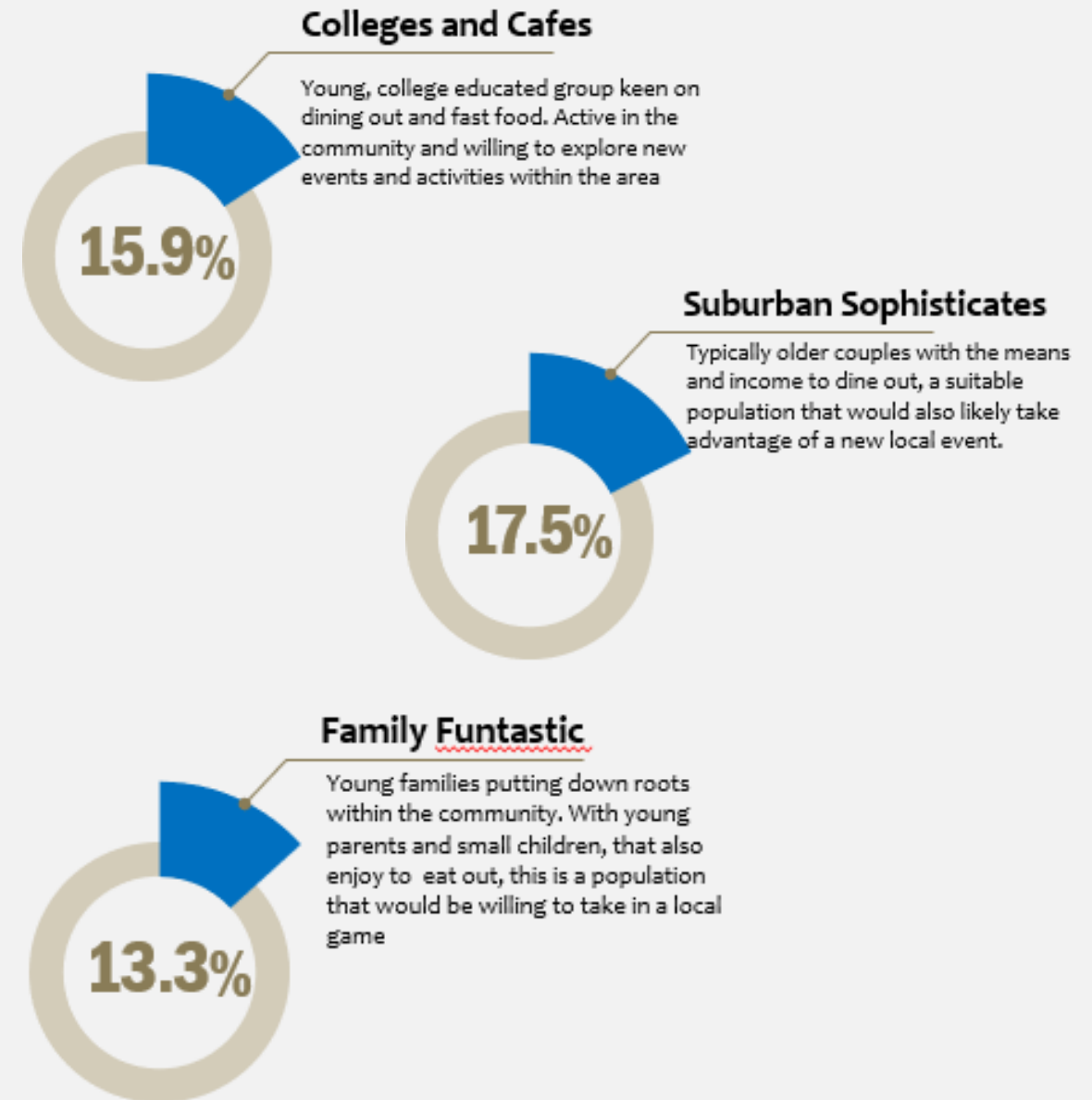
Population Mosaic Summary

When compared directly to the population of Alpena, Michigan, the community in Hays, Kansas is comprised of the “right” type of people that will make this location a success for FHL expansion.

As noted earlier, the population of Hays infuses each winter with the Fort Hays State University student body, creating a sizable and young population keen on taking in any local entertainment that may be available. However, even excluding this student body, Hays itself boasts a young community, with the **median age being 31 years old** (2019 ACS data via CensusReporter.org). This stands in stark contrast to the much smaller Alpena population with a median age around 42 years old.

In addition to the much younger overall population, Hays also boasts a community keen on dining out, a sure sign that the community would take advantage of a new local entertainment option. For example, for Hays, Kansas the 2020 Simmons Entertainment, Leisure and Dining Summary noted that the **household index for “Fast Food Restaurants – Visit Any Other Fast Food Restaurants” was 126**. With the average American household being a score of 100, it’s clear that the Hays community would be receptive to new entertainment options opening in their community.

Relatedly, according to the Mosaic Population Summary Index Reports via Gale Business DemographicsNow, three of the larger populations comprising Hays are members of the “Colleges and Cafes” group (15.9%), “Suburban Sophisticates” (17.5%), and “Family Funtastic” (13.3%). These three groups, comprising close to half of the population, **makes clear Hays is a community keen on dining out and making the most of any local events that become available, making this community a great avenue for expansion.**



Source: Gale Business DemographicsNow Mosaic Population Summary Index Reports

Location and Infrastructure

Hays, Kansas and Alpena, Michigan both offer locations with significant advantages due to their local attractions and offerings. Additionally, the transportation infrastructure already available at each site would allow for **easy travel for away games but also facilitate an expanded fanbase**, as highways and interstates could easily allow populations from nearby towns and cities to take in a game.

For Hays, KS specifically, Interstate 70 runs essentially East-West through the town and US Highway 183 runs North-South (Google Maps). Both highways would allow for an expanded fanbase to form, as not only would Hays, Kansas community members be able to attend, but those from nearby towns would also have straightforward travel options that would make attendance a smooth process.

Additionally, Hays, Kansas has the **Hays Munjor Regional Airport very nearby**, an extremely valuable transportation option for the fans and the team alike (Google Maps). Not only could those from a non-driving distance now take in a game with this airport nearby, but the team could easily integrate into the FHL and travel as needed to away games.

Hays, Kansas, in addition to their population keen on taking in the local scene and dining out, also has the options to already accommodate this. Local breweries and dining options throughout the city make it an ideal spot for expansion as fans will have options outside of just the hockey game itself to explore and can make weekend trips that all parts of the family could enjoy (VisitHays.com). With the travel infrastructure and dining scene firmly in place, Hays, Kansas is the ideal expansion location for the FHL.



Factors Against Runner-Up Location: Alpena, Michigan

While Alpena, Michigan did have various strengths that allowed the city to be considered, there were further limitations that made Hays, Kansas the clear choice.

Benefits of Alpena, Michigan

- Alpena is similar to Hays in that the transportation infrastructure to support a local FHL expansion team is already present, with nearby highways and airports that service Minnesota and Detroit already in place and available for local and away game travel (Google Maps)
- Alpena also already has the gameday facilities readily available for use as this site once was the home of a CJHL team. There once was already a fanbase within this area that likely could be leveraged again with the presence of an FHL expansion team

Arguments Against Alpena, Michigan

- As noted earlier, Alpena's future outlook population-wise is a major concern. While Hays already is practically double the population of Alpena and is further bolstered by the nearby state university, Alpena's population of just around 10,000 community members does not get a major influx from the local community college, as enrollment here is less than 1,000 students (US News). Additionally, according to the 2019 ACS 5- year estimate data, projections for 2025 data continues to show a decrease of about 1.2%, a concerning trend that the community may not be heading in the appropriate direction.
- A major benefit of Hays is its influx of approximately 16,000 students in the winter months due to the nearby university. Unfortunately for Alpena, while there is a tourism bump in the summer months in Alpena, this is outside of the typical league schedule, so this influx will not effect the available

fanbase during the league here (TheAlpenaNews).

- Lastly, according to the Gale Business DemographicsNow Mosaic Population Summary Index Report, the population residing in Hays would be preferred over the members of Alpena. While half of the population of Hays was comprised of "Suburban Sophisticates", "Family Funtastics", and "Colleges and Cafes" populations, Alpena is almost half comprised of "True Grit Americans", typically blue collar workers that are not as likely to take in a local game or dine out option as much as the population of Hays would be.

With these major factors in mind, the decision to move forward with Hays, Kansas as the FHL expansion location is recommended over the Alpena, Michigan location.

Conclusion

As detailed throughout this report, Hays, Kansas is the recommended expansion location relative to Alpena, Michigan. As noted, while both have strong infrastructure, particularly in regards to transportation, already in place, Hays has many additional advantages that make it a suitable location.

While boasting already double the population of Alpena, the presence of a large state university injects into the population a student body larger than Alpena itself, bolstering the potential new fanbase that can be generated following the expansion.

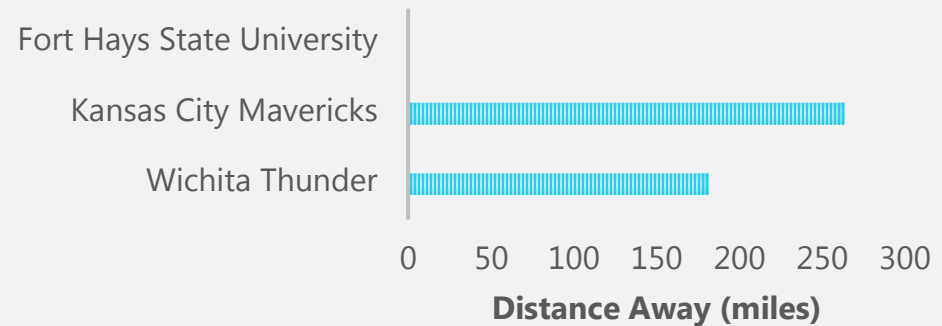
The make up of the population itself is also more advantageous within Hays as opposed to Alpena. While Alpena is comprised predominantly with “True Grit Americans” according to the Gale Business DemographicsNow Mosaic Population Summary Index Report, Hays instead is comprised of both recent grads and young families (“Colleges and Cafes” and “Family Funtastic” groups) and older couples well ingrained into the community (“Suburban Sophisticates” group). These groups are far more likely to take advantage of a new local scene and already have a preference to dine out more frequently than the typical American and the predominant community member in Alpena.

Not only is the population size and dynamics a major advantage for Hays, Kansas, but the outlook itself is advantageous, as well. The population from 2000 to 2020, as discussed earlier has increased and is projected to further increase over the coming years, with high income groups themselves leading this charge. Alpena, on the other hand, has been on the decline and will continue to decline over time.

These population breakouts together make Hays, Kansas our recommended choice

for expansion for the new Western Conference location for the FHL. As seen below as well, there is a vacuum of local hockey teams within this area that the FHL would be able to capitalize on.

HAYS, KANSAS HAS A HOCKEY VACUUM, WITH NO STATE UNIVERSITY TEAM AND ECHL TEAMS BOTH > 150 MILES AWAY



Source: Google Maps

Action Steps

With Hays, Kansas being the recommended location for FHL expansion, following sign-off of this decision we'd recommend the following action items to begin the onboarding and implementation process:

1. Begin discussions with Hays city leadership around the needed facilities (ice rink, lodging, etc.) and their availability
 - Will an ice rink be readily available? If so, will additional seating be needed to handle the expected fan attendance?
 - Is there sufficient hotel/motel availability to handle away teams traveling in and out of area fans attending games?
2. Begin community outreach to the local population to generate excitement around the newly formed team following selection
 - For the beginning of the season, discuss promotions that will encourage on the fence members of the community to attend (themed games, giveaways, etc.)
 - Reach out to local restaurants and other companies to discuss sponsorships and promotions, as well
3. Alert other teams within the Federal Hockey league of the decision to allow for early preparation and a successful expansion season

Sources

Mosaic Population Summary Index Reports via Gale Business DemographicsNow, accessed August 5th, 2021

Complete Demographic Summary Report via Gale Business DemographicsNow, accessed August 5th, 2021

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