

Team Optum: A Model for the Future?

Several pro cycling teams have generated considerable buzz over the past few years by cracking down on doping, boasting new internal testing requirements and protocols, and promoting themselves as “the clean team” to potential sponsors. But few if any other teams in the U.S. or in the WorldTour have developed the stellar and consistent record of Team Optum presented by Kelly Benefit Strategies and its predecessor teams – going on almost twenty years now without a single positive test. While many teams over the years have boasted to be clean, “we actually *are* the clean team,” says team owner and managing director Charles Aaron.

In American cycling, Aaron may be one of the most influential people that you’ve never heard of. However, as head of Circuit Sport (www.circuitsport.com) he has actually been active in professional bike racing for more than two decades. His teams employ more North American athletes, both men and women, than any other team, and he has sent numerous riders to the WorldTour. In 2014, the men’s, women’s and cyclocross team raced to 70 wins and 157 podiums, including a stage win and the KOM jersey at the Tour of California, and a stage at the Tour of Utah.

Twenty years ago, Aaron was a hopeful amateur racer from Minneapolis area, but he realized at a relatively young age that he wasn’t going to make it to the top pro level – so he quit racing and gradually got into the business of managing teams. He held positions with different teams and ended up running the Cadillac-sponsored Catera mountain biking team for several years in the later 1990s. Then, nine years ago, Aaron connected with John Kelly – head of Kelly Benefit Strategies, a \$1.5 billion health benefits firm in Baltimore – and the two put together a plan to enter the domestic road racing scene.

“This was in the middle of the Lance era,” says Aaron. “Cycling was as popular in the U.S. as it had ever been. There was obviously a lot of suspicion about doping in the pro peloton during that time frame, but we believed there was a way to run a clean team and still be competitive.” The duo later connected with the much larger Optum health services organization, which became the name sponsor four years ago. At the end of the 2011 season, Aaron also took over the primary assets of ColaVita women’s team, and now has a strong women’s program as well. The organization now consists of 48 people, including 30 men and women racers, four sports directors, and a supporting group of administrative staff, soigneurs and mechanics.

How They Built the Team: Aaron and Kelly decided on day one that the critical thing in building a clean and successful team was to hire the right people to run the day-to-day operations – to find and screen the athletes, to oversee the training and performance, to manage the logistical operations of the team, and to maintain close relationships with sponsors. “Unlike many of the other teams in this sport, we started from the premise that there was no way to build a clean team if we staffed it with ex-dopers,” says Aaron.

So they sat down and gradually – and painstakingly – put together a small management team of former racers – all of whom had raced clean throughout their careers. The first to come on board was Jonas Carney, who heads all of the performance and training aspects of the team.

“When we were getting started, I asked a lot of people around the sport about who I should hire to oversee the riders, and Jonas’ name kept coming up,” says Aaron. Carney was outspoken about doping when he was a professional racer in the 1990s and early 2000s, and was well-known to have an unyielding stance against doping. The other critical and early hire was Canadian racer Jacob Erker, as General Manager to run the overall day-to-day operations of the team. Rounding out the current management team are two performance managers, each former racers – Canadian Eric Wohlberg and American Pat McCarty.

The Team Optum approach is pretty simple, says Carney. “If you want to have a clean team, it has to start from the top. You have to have a clean staff, and one which really cares about being clean – not just about winning.” To begin with, the team focused exclusively on North American athletes – Americans or Canadians, where it is easier to scrutinize their backgrounds and racing histories. “It’s a lot harder to really check out athletes from distant countries,” say Aaron. “I’m not saying foreign riders are dirty; it’s just easier to do our job right if we stay more local.” In addition, says Erker, “Our policy is never to hire an athlete who has been coached by people whom we consider to be questionable. We ask a lot of questions and check into who the rider has worked with in the past,” he says. And over time, the team has built the kind of reputation within the pro peloton where potentially tainted riders don’t even bother contacting the team. “We would rather lose, than win and have to wonder if one of our athletes was cheating,” says Carney.

Aaron and his management team recognize that there are always going to be exceptions out there, “but by setting the right kinds of expectations, by managing a team in the proper way, and by making the repercussions clear, a strong team culture can work to minimize the potential of a bad apple,” he says. It certainly seems to be working for Optum. “We feel like we’ve designed a rider recruitment system and an operating model that minimizes the potential for that sort of problem,” says Aaron.

Aaron told his staff at the outset that if anyone ever tested positive he’d be prepared to shut down the whole team. He tells each rider and staff member that “the whole team is at risk for one decision that you might make, so you better think pretty hard about your actions.” Fortunately, he’s never had to deal with that situation, “but it has been a powerful deterrent,” he says. As an example, Aaron tells the story of one of his riders who missed a test, and got sanctioned. “He missed a test and we suspended him from the team immediately – we didn’t need to wait to hear his story,” says Aaron. “We hold our athletes to a high standard, and if they don’t meet that standard, they cannot be on the team. Period.” Nothing is more critical to Aaron than clearly defining the rules and then sticking with them.

And of course, managing a bike team is not just about controlling the doping, although that is often what we hear about. There is a wide range of other aspects – financial, administrative, logistical and operational, and organizational or human resource-related – which a team also has to master in order to be successful in today’s competitive sport. Before it ever places a squad behind a starting line, the team must create an infrastructure and an operational system to support the riders.

“You have to build the infrastructure to support the on-going operations of the team,” says

General Manager Erker. That includes a chief financial officer, a creative director to coordinate the team's innovative marketing efforts, a public relations effort, and a team of soigneurs and mechanics to support the racers. "Sponsors come and go, athletes come and go, but the team structure has to be permanent," says Aaron. "And we have to remember that – at the end of the day – we have to be an effective branding and marketing platform for our sponsors. If we can't attract and keep the sponsors, we don't have a team."

Team Optum is loyal to this philosophy, sometimes almost to a fault. Aaron jokingly tells the story of one time when he was giving his pitch to a potential sponsor, emphasizing the various attributes of the team's infrastructure, its organizational structure, and operating philosophy and so on, when the potential sponsor finally stopped him and said "OK, OK, that's all very impressive, but is your team any good?"

The other way that Circuit Sport significantly differs from many (if not most) of the top level WorldTour teams, is that Team Optum runs strictly in the black. "If we're not in the black, then we're out of business," says Aaron. Team Optum has no wealthy benefactor behind them, writing checks to cover the difference every year, like many other pro teams. The team has to calculate its incoming revenue from sponsors and other sources, and make sure that its expenses stay in line with those revenues. "I bankrolled this business early on with my own credit card, and I understand that I have to make a profit, or we shut down the shop," he says.

A Different Approach to Sponsorship: Aaron takes a decidedly different and more integrated approach to dealing with his sponsors. In fact, he doesn't really think of them as sponsors, or simply outside parties who are providing funds to run the team; that line of thinking almost seems to offend him. Instead, he says, "I think of them as business partners. We both have our individual business objectives, and we are trying to accomplish those objectives together, via a professional cycling team."

Aaron tried to differentiate the team early on by creating it in the image of Kelly's company and business – emphasizing the theme of healthy outdoor activities, or as they put it "human-powered health." And as the team moved forward, they were constantly on the lookout for other partners who had an interest or brands that also fit nicely with that health and wellness focus. When they first approached Optum, says Aaron, they talked about business objectives and philosophies first, not bike racing. "We asked – what could the impact of a partnership be on your business? Is it good for your employees and clients, for your company?"

From the business perspective, Aaron says he does not view other cycling teams as competition. "Garmin or BMC may be our competitors on the road, but from a business perspective my real competition is the Superbowl, Major League Baseball, or some Manhattan billboard," he says. "My competition is coming from some other sporting or entertainment event that is stealing away my existing or potential sponsors. I have to legitimize every day why the opportunities I can offer to a sponsor are superior to what they might find elsewhere." The team's health and wellness-oriented platform is critical and Aaron hopes that this will be attractive to other potential partners in the future. It is a theme which the team makes every effort to exemplify, and which they can all rally around. For sponsors, says Aaron, "We are giving them a platform to tell the public about how they can help people live a healthier life."

Contrary to what some other teams and organizers believe, Aaron doesn't buy into the idea that all sponsorships have to have a fixed life or a fixed objective. Optum has already re-upped with the team once, and Aaron is hopeful that his sponsoring partners will stay with the team indefinitely. He believes that as both partners accomplish existing objectives or move towards new ones, there is no reason why the sponsorship relationship can't evolve and become enduring. "These companies are obviously providing us the funding we need to support a bike racing team, but we are also heavily involved as a team, and as individuals, in helping them to promote their business objectives. Jacob talks to our major partners almost every day."

Aaron cites a couple of recent Optum team partnership events as examples. During the first part of November, volunteers from the team joined players from the San Francisco 49ers to build bicycles for foster youth in the Bay Area, and women's rider Jade Wilcoxson teamed up with the governor of Delaware to promote an outdoor activities and health fair event. "If you look at sponsors as simply a source of money, I feel like you are disrespecting them; you are taking advantage of them," says Aaron. Optum riders regularly talk to local groups at health fairs, fitness forums and the like. These riders are actively helping the sponsor to market their concept, and to promote their business on and off their bikes. It is definitely in both parties' interests to develop a long-term relationship, says Aaron, "but you have to work at it. I think it's far more desirable to keep an existing sponsor, than to always be hunting for new ones."

Aaron is obviously frustrated, as are many team owners and managers, by the constant revolving-door nature of sponsorship in pro cycling. It causes insecurity for both riders and staff, it distracts team management from focusing on running the team, and it lends a general aura of fear and uncertainty to the whole sport. But Aaron believes that a lot of the blame for this tenuous situation falls on the teams themselves. Examples like the recent Liquigas or Vacansoleil exits, or the apparently failed Belkin experiment, may be the result of poor planning, or teams simply not understanding what the sponsor hoped to accomplish. Aaron hopes that when other companies see what the Optum Team partnership model is actually accomplishing in terms of promoting better health and wellness habits, they will want to get involved too. He would particularly like to see more endemic sponsors (bike manufacturers, clothing companies and the like) take a more active role in helping to financially support cycling. "They will be the beneficiaries of a growing sport, and they ought to be doing more to help promote that growth," says Aaron.

Anti-Doping Approaches in the Sport: From a broader anti-doping perspective, Team Optum has embedded protocols and nurtured philosophical approaches which the rest of the sport could learn from. Aaron and his team hope that they are setting a good example – that pro cycling teams can, in fact, both be clean and competitively successful.

The critical first step to cleaning up the sport, says Carney, is to actually care if the athletes are clean – not just whether they can pass a test. The Optum program doesn't employ anyone – staff or riders – who have ever been suspected of doping in the past. "You have to start by hiring directors who want a clean team. Hiring ex-dopers, even if they claim to be advocates for clean cycling now, just doesn't work for us. We all raced clean and we're all very serious about wanting a 100% clean team." Erker adds, "We have an absolutely zero tolerance to doping, and our plans do not include past dopers who want to race clean now. Sorry, but it's too late."

Other teams obviously have different positions on that issue. Garmin for example, which in many ways has been considered as the pioneering “clean team” at the WorldTour level is partially populated with ex-dopers – both riders and staff – but people who have come clean, admitted their mistakes and want to help change the sport going forward. As Garmin boss Jonathan Vaughters recently pointed out, the team has not had a positive doping test since it was formed, even though some of its riders – as well as Vaughters himself – have admitted to doping in the past. There is certainly an argument to be made that some people can play a productive role in cleaning up the sport, even if they erred in the past.

But Aaron takes a tougher stance, even though he realizes that all dopers are not necessarily bad people. “I understand why some people make wrong decisions, decisions that they may later truly and whole-heartedly regret,” he says, “but nonetheless, we just don’t want those people on our team.” Erker reinforces this statement, while citing a different example. “Some folks say that everyone deserves a second chance, but I don’t think cycling owes dopers a job. It’s more like the lawyer who gets disbarred; he can go do anything else he wants to, he just can’t be a lawyer again. Our attitude to dopers is – go away and do something else, cycling doesn’t need you.” Erker adds that the team is in favor of lifetime bans for proven and premeditated doping positives.

Carney takes a more pragmatic approach to evaluating riders under consideration for the team. It's not hard to recognize jumps in performance that are unrealistic if you've been around the sport long enough, he says. “Even the most talented guys have a realistic trajectory. When a rider gets 15% stronger in one winter or goes from being someone you've never heard of to being one of the strongest guys in North America in one year – that is a serious red flag. We don't go near guys like that.”

Again, Carney reinforces why Optum only hires “local” riders. “When you have been around North American cycling a long time, you get to know the lay of the land, you get to know who all the guys are.” For example, starting in 2007, the team policy was to never hire an athlete who had been coached by Rick Crawford or associated with Joe Papp. “That was long before those two guys were exposed, but we knew what was going on,” he says. The team’s public commitment to a 100% clean stance is now resonating pretty clearly through the pro peloton.

In a sport that has been so saturated with doping over the past couple of decades, many reasonable people have said that there is just no way to rid the sport of all ex-dopers – that we just have to look to the future and move forward. There wouldn’t be much of a sport left if *all* ex-dopers were expelled for life. Aaron recognizes this, but he still says that ex-dopers should pay a greater price, and should be compelled to give more back to the sport if they want to stay involved in the future. “Instead of Hincapie having a development team and making millions selling products to the sport, he should be doing a lecture tour with local boys' clubs, explaining his bad choices and helping kids avoid that in the future.” He adds, “There has to be more accountability, a greater sense of shame or remorse – not just short-term punishment. These guys should be expected to give back in a longer-term sense.”

Aaron points out that some tarnished leaders who were ex-dopers have at least tried to come clean, while others never have. He suggests that maybe this could be one characteristic for

determining who should stay in the business and who shouldn't. He believes that there has to be lasting accountability, and that ex-dopers must repay their personal gains and demonstrate some kind of real remorse. "I won't name names, but some people just say the right things, but they don't show any remorse. They should be out of the sport."

Moving up to the WorldTour: Team Optum has sent several riders on to the WorldTour in the past few years. In 2015, climber Carter Jones will make the jump to Giant-Shimano, after winning the Tour of the Gila and taking the polka dot jersey in the Tour of California in 2013. Last year, Chad Haga made the move. Other WorldTour riders that have come through the Optum system include Matt Busche, Ben King and David Veilleux.

Aaron and his team believe that they could take their current domestic operating model and apply it on the bigger world stage. "I have the vision that we could take the model we have developed domestically and do it at a global level, without compromising any of our key criteria," says Aaron. But of course that would obviously require more money, a larger infrastructure, and new partners who wanted to expand their brand into Europe. Aaron estimates that he would have to hire eight to ten additional riders, and increase the team's budget by at least a factor of two. But nevertheless he says, "Our passion is to transfer what we have developed here to Europe – high-level clean racing in Europe."

Aaron doesn't see money as an insurmountable problem. He believes that interested partners could invest in the plan if he continues to build and grow the team in the right way. "We'd like to get the team to that level, but it takes time." And rider salaries are an issue. "Acquiring and retaining riders who are staunch anti-doping advocates tends to be more expensive," says Carney, "because unlike most teams, our system leaves us with a fairly small pool of riders to choose from. The Will Routleys are hard to find, and when you do find them, they're not cheap to retain." On the other hand, says Carney, "We didn't lose Carter Jones because of salary; we lost him because he wanted to ride at the highest level." Aaron makes no secret that he would like to see the team itself climb to the next level as well, but right now he is still waiting for the right opportunity.

Team Optum as a Model for the Future: When they first sat down to put together the team, Aaron worried that there wouldn't really be any way to completely control doping. "We thought of doping as sort of an individual thing, something that a few riders were just going to do – no matter what the team environment. We just sort of assumed that there was no way to 100% control it." But over time, Optum has proven that the right kind of team atmosphere and dynamic, hiring the right types of staff and riders, and by operating in a strict and unwavering manner, a strong team culture can go a long ways towards truly eliminating the potential for doping problems.

Optum's track record underlines the critical role played by the team culture. One team may turn a rider into a good guy; another team may turn a rider into a bad guy. Different pressures or different incentives in the team environment go a long way towards molding the rider and his or her attitudes. There is only a single case (dating from the mountain biking teams of the 1990s) of any rider leaving Aaron's teams, going on to another team, and being caught up in a doping problem, five years later. And that one single case really bothers Aaron, though he

declines to give specifics. “Our top-down ethical stance actually does work, and I think we really do help to shape the younger riders’ views. These young folks retain those views and those value systems when they go on to other teams.” He laughingly cites the case of one young rider who moved on to another team and who told Aaron that he would never consider doping, on any other team in the future, because “I’d be afraid that Jonas would find me, track me down and kill me.”

Critics will point to the presence on the team of Tom Zirbel, who failed a test for DHEA in 2009 and served a voluntary two-year ban before returning to racing in 2011, and who has raced for Optum the last three seasons. Zirbel consistently maintained that he unknowingly ingested DHEA in one of the numerous and generally unregulated nutritional supplements available on the open market – and after cooperating with USADA on his own and several other on-going cases, his sanction was eventually reduced. Carney spent an enormous amount of time with Zirbel, looking into his situation in depth and talking to many people who knew him earlier in his career, and says “we became convinced that he was a clean athlete who failed a test due to a contaminated supplement.” Adds Aaron, “There are plenty of guys out there who have *never* failed a test who we wouldn’t touch with a ten-foot pole, and we never would have hired Tom if we didn’t believe 100% that he was a clean racer.” As pointed out in an earlier [Outer Line article](#), there are plenty of false negative tests in pro cycling, but there are also false positives. Or as Carney puts it, “Our objective is not to never fail a test; our objective is for every one of our athletes to truly be clean.” Most people around the sport seem to believe Zirbel’s story, and he continues to be one of the top performers on the team, taking the 2013 National Time Trial Championship.

“I know it may sound trite,” says Aaron, “but we try to build more of a family environment. These people have lives beyond their bike racing.” He cites the story of David Veilleux, a talented French Canadian rider who raced for Optum from 2008 through 2010, and then made the jump to Team Europcar. “He won a stage at the Dauphine and held the yellow jersey for several days, rode the Tour and several other big European races. He experienced it all, and then he just called it a day,” says Aaron. Veilleux is now back home in Quebec, finishing a degree in mechanical engineering. “He had a good run, but cycling wasn’t his whole life. He told me the other day that he’s just a regular guy now, with a wife, a job and a dog. We like guys like that.”

At the end of the day, Charles Aaron just wants to create an environment where young riders can compete in a fair game and have fun. His Optum model favors ethical expectations over the win at all costs attitude of, for example, the early 2000s Postal team. “I just believe in doing the right thing,” he says. “I know it sounds corny, and you wouldn’t believe how many people have told me that I’m naïve, or that I need to ‘wake up’ and see the world for how it really is. But I think we’ve been pretty successful. We’re not perfect, but some of our ideas seem to be working.”

Given the current atmosphere in pro cycling, it’s understandable that there are many skeptics out there who believe that there is no way to create a clean team, that athletes are always going to cheat, and that anyone who thinks otherwise is either a naïve fool or gullible idealist. But Team Optum has demonstrated that there is in fact a way to create a strong team atmosphere

wherein a culture of clean racing can be sustained, and where a tight partnership between a team and its sponsors can result in a profitable long-term business enterprise. In short, Aaron's ideas *do* seem to be working, in terms of clean and competitive racing as well as team business management. Team Optum has changed the model, and has defined some of the standards and metrics which should constitute the successful cycling team of the future – driving value for sponsors, creating opportunities for athletes, and winning new fans. It is a model which other professional teams, at all levels, would do well to study, understand and emulate.

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Steve Maxwell and Joe Harris, December 30, 2014