



Minutes JSG Cymru (Joint Supporters Group)

Meeting with Pro Rugby Wales

Date: Tuesday 8th May 2018

Time: 6.30 - 8.30 pm

Location: Bridgend

Attendees

PRW: Mark Davies, Antonia Lamont

Ospreys: Supporters Club: Grant Berni, Keith Collins, Nigel Jones

Dragons: Official Supporters Club: Dan Hallet

CBSC: Sarah Hopkins, Dave Ellsmere

Crys 16: Barrie Jones, Ian Lewis, Gareth Payne

Agenda items

1. Judgement Day VI
2. RSA and future for SA teams
3. New TV deal and sponsorships
4. Fixture notification and spread of fixtures
5. Appointment of match officials
6. Relationships with WRU and Regions

Summary/topics discussed

1. Judgement Day VI

First point was raised by CRY16, that its members were unhappy with seating arrangements on Judgement Day. Fans of the regions were unable to sit together which contributed to lack of atmosphere. CRY16 asked whether in future each Region could be assigned a Block/Tier in the stadium so that supporters could be together. Others present echoed the feelings that their own fans had raised the same concern. MD pointed out that Judgement Day was a tri partite agreement between the Cardiff Blues, Dragons and the WRU. Pro Rugby Wales supports the organisation and promotion of Judgement Day as the representative organisation for the four professional teams, but is not contractually responsible for the event with no financial stake. However, MD confirmed that he was more than happy to raise the matter and will speak to Craig and Martyn at WRU on behalf of JSG.

MD and AL acknowledged that it seems reasonable that the commitment of the season ticket holders of the four professional regions (circa 15,000 supporters) who back their teams all season long, should be recognised in the organisation of the Judgement Day event.

Attendees from Cardiff Blues and Dragons pointed out that their own fans felt somewhat short changed with the arrangements. As they correctly pointed out, it is their home fixture,

but their own fans also experienced ticketing difficulties. MD asked about arrangements when e.g. Ospreys attend Parc y Scarlets. It was however agreed that this is a different scenario as in that instance the Scarlets has to work around their own ST holders. Judgement Day at the Principality Stadium is more of a blank canvass. Dragons and Cardiff Blues supporters clubs have raised the issue with their own clubs and with the WRU but to no avail so far. One suggestion was that ST holders be located in the middle tier of the Principality. Again, MD confirmed he would mention this request when he speaks to Craig and Martyn.

Another issue is the 'gap' between the two matches. Some fans leave after the first game, whilst others arrive in time for the second match. MD and AL confirmed that the extended gap between the games is driven by the broadcast timings due to separate BBCW and S4C transmission "slots". It may be possible to improve this position with the new Broadcast partners, so MD will investigate with Craig.

JSG members also raised the opportunity for season ticket promotion and sales at this key event. They believed more could be done to entice new season ticket holders at this event as it attracted a wide base of support from inside and outside Wales.

MD outlined that the new collaborative digital data system that has been adopted between WRU and the 4 Regions on the initiative of Martyn and Mark Killingley, should allow greater transparency and sharing, subject to data protection legislation and new rules effective May 2018, to allow greater targeting re ST sales pre/post JD events. MD stated that certainly, it has had a significant impact on both season ticket and match day ticket performance so far.

It was noted that Blues & Dragons representatives confirmed that the current Judgement Day agreement runs out at the end of next season (May 2019).

2. RSA

MD was asked to provide an outline of progress towards a new agreement with WRU. MD confirmed that the Current RSA agreement will run until 2020. PRW, the Regions and WRU have been working together on the direction of a new agreement for the past 18 months. Unlike the previous situation, there is now complete agreement that the international and professional club game are inter-reliant. The international game still generates the greatest revenue to fund all levels of the game, including the Regional game, with the four Regions providing the development platform that results in the International players that generate the revenue. MD confirmed that Martyn Phillips is very clear about the relationship of inter-reliance and the ongoing work around governance in the professional game is based on developing a truly collective structure and relationship for the professional game in Wales.

Martyn is leading the work to develop a sustainable model that will work for Wales with the objective of ensuring the professional and community game both have the focus and investment they need to thrive, driving and using both central and local resource. The direction of the new agreement is currently being worked in parallel with changes to the governance of the WRU which is designed to ring fence and protect the Community game as the foundation of the sport, while establishing a Professional Game Board which will be properly constituted, with the right skillset and able to make decisions. It will be made up of WRU Representatives, Regions Chairman, independent Non-Executives and an independent Chairman. In answer to a question from JSG, MD confirmed it will be similar in concept but much more effective than the PRGB briefly convened in 2012. MD confirmed that both Martyn Phillips and Gareth Davies are committed to creating a PRB with the right level of

experience and skill, working together to deliver sustainable and successful professional rugby in Wales. That degree of true cooperation with the right skillset is not something that Welsh rugby has been able to deliver previously.

Progress is being made on the body of a new Operating agreement (RSA), with all parties approaching the task from a new perspective and a “clean sheet” with clear objectives. WRU and the Regions are now working hard on properly understanding how to achieve the objectives and in what timescale. There is a real intention that the rugby and commercial sides of the WRU and the four professional clubs will work together to achieve the aims.

Representatives continue to meet on pretty much a bi-weekly basis and are making steady progress on an operational agreement with proper objectives for Welsh Rugby. To do that requires a level of stark honesty to recognise the current situation and a focus on what is required to achieve success. All parties need to understand & agree how they interact and put all of this together in one place. MD said he was ‘really encouraged’ by the work being done to put together the collaborative framework that will deliver results in the club game and the 2023/27 World Cups.

Representatives of the JSG asked about the timeline for this being completed. MD said that as the existing agreement lasts until 2020, all parties were focused on agreeing the right framework rather than imposing a timescale, but that at this stage he believed there would certainly be something ‘more solid’ by the end of this year (2018), perhaps a little earlier. MD once again stated that Welsh Professional Rugby was in a ‘very different place’ to the time at which the original RSA was signed. A coherent agreement is being worked on between the WRU and the 4 Regions, but of course must also be led by the changes in WRU governance, which go to their AGM in October. MD is confident that a good outcome for the game can be reached.

3. South African involvement in PRO14

It was agreed by all in the meeting that the involvement of the SA teams has gone well. MD said it was felt at PRO14 that it was “really good, better than expected”. Whilst the Kings have struggled due to the fact that they had lost their player base and had no pre-season, the Cheetahs did make the play offs at their first attempt. MD confirmed his belief that with their first break in 18 months, a full pre-season and effective recruitment, both teams will be stronger next season. All four Welsh professional teams have reported that they have benefited from their trips to SA in that squads have had significantly more time together.

SARFU have been delighted with the exposure of their regions to differing rugby styles in the NH. The SA national team will similarly benefit in the longer term. It is also working from a commercial viewpoint, in that SA has a big rugby market (57m). The PRO14 so far however have not tapped into sponsorship outside of the TV companies and there is more work to be done from next season onwards. However, PRO14 are now looking to appoint someone on the ground in SA to exploit this opportunity. SA rugby is massively supportive, especially of the community activity that the visiting Pro14 teams have undertaken and are very proud that the SA government has commended SARFU for the way in which rugby has tackled diversity and achieved their inclusivity targets. At the same time, SARFU are undertaking some internal restructuring, including expanding the number of professional franchises from 6 to 8, which may result in more opportunity for Pro14 expansion at some point in the future. All the franchises within SA are, of course, watching the Cheetah’s and King’s progress in Pro14 with interest, along with the strategic review currently being undertaken by Sanzar/Super Rugby.

MD stated that we shouldn't underestimate that we now have 5 tier one rugby nations playing in our competition – 50% of the tier one nations that exist.

Asked about the financial benefit from the SA agreement to the Regions, MD stated that of course the Regions still have to manage every single £1 of cost and revenue, especially with player salary inflation running at 26% pa over the last 2 years, but progress has been made to increase revenue into the Regional game, including the RSA (compared to the previous PA), Pro14 Destination finals and increased sponsorship, the introduction of the SA teams and SA broadcasters, the UK & Ireland revenues from new broadcast partners and, of course, improved Commercial activity at a local level. MD hopes that despite the massive increases in player costs, the constant efforts of everybody in containing costs and driving revenue means that the Regional game continues to offer tremendous value for money for supporters, with significantly different styles of play and game plan across 5 nations and 14 clubs, compared to any other league competition.

4. Broadcasters Update

In responding to the request for an outline of the new broadcast package, MD gave the following overview. Sky Sports business model is clearly driven by the high costs of securing football coverage, so it is perhaps understandable that rugby is not a high priority for them and their bid reflected that. At the same time, following their joint bid with Sky being unsuccessful, the bid from BBC Nations (Wales, Scotland, NI together) was most disappointing and did not in any way reflect the value of the competition. Again, from a business model point of view, that may relate to the public statements by the Head of BBC Sport that their strategic direction is Olympic sport, though we have no way of knowing that for sure. The BBC bid was a Nations bid, there was no separate bid by BBC Wales for Wales rights only. Conversely, Premier Sports and EIR business models do not include a significant football cost base and in addition to their superior bids to secure PRO14 they both confirmed their intention to making the competition their number 1 priority product which was a key factor in the decision of the Pro14 board. Pro14 Rugby will be their main priority sport, so will be prioritised in their broadcast platform, rather than being dictated to by transmission times, other sports and programming.

PRO14 will have greater editorial engagement in the style and tone of coverage and how the competition is projected to viewers, including the tone of the presenters. There will be additional investment in 'magazine' type programmes, both before and after each weekend, to add value and understanding of the game.

There is also a very significant commitment to marketing promotion of PRO14 outside their own platforms. There are targets to reach for subscribers via PRO14 so there is a mutual benefit in making this new relationship a big success. MD said he felt the new deal was a 'game-changer' for PRO14 and that the new broadcast partners were working on making the coverage 'fun' and 'energetic' and believed there was more scope and freedom to create a great product on TV.

In addition to the very substantial uplift in revenue from the new agreements, Premier Sports coverage will give much easier access to PRO14 games on channels in England for the first time, reaching a wider audience, whilst every game being covered live will help lift International broadcast values, so there is a wider context to what is being done.

The new broadcasters have also made it clear that their stated aim is to sit down and work with each Club in the league to understand the differences "under the skin" and to identify what would suit their individual requirements re kick off times. This will be a significant help

in resolving the frustration of match day scheduling, however it may prove difficult to satisfy everyone.

JSG asked if there is any progress in agreeing S4C coverage in addition to the Free sport Free to Air coverage already confirmed as part of the Premier agreement and MD confirmed that S4C had made their commitment clear throughout the negotiations, were doing all they could to reflect a fair value for coverage of the competition and he is hopeful Pro14 will be able to confirm local language arrangements for all countries, including Wales, now the main platforms are confirmed.

JSG asked if the broadcast changes meant that Pro14 can release the fixture schedule earlier, perhaps at the end of the season, to make it easier for supporters to plan their season. MD confirmed that the limiting factor in confirming scheduling is the two Welsh Regions who share grounds with football clubs as the Premiership and EFL rules mean that Football has priority. So PRO14's hands are tied until the football fixtures are released in the 3rd week of June due to the Dragons and Ospreys' ground sharing arrangements.

Because of that limitation, PRO14 intend to confirm fixtures in early July to the clubs for final approval – with fixtures being announced 6-8 weeks earlier than last year when the delay due to the negotiations for the entry of the SA teams meant fixtures could not be confirmed until mid-August.

JSG asked if there was any concern that loss of BBC Wales coverage would impact on the crowds and profile of the PRO14 in Wales. MD confirmed that of course this would be tracked carefully but based on the experience of other sports and the explosion of digital communication, he did not believe that would happen. The supporter is choosing to consume content in very different ways, based on different age profiles and convenience, so the impact of conventional broadcast is not as great, particularly among the younger viewers who are the future. The Premier and Freesport platforms will mean that for the first time every Regions' supporters can watch every game their Region plays at their convenience for less than the cost of a pint a week. That gives much more value to the supporters of the game and as always, they will be the ones that encourage others to attend or watch the games. At the same time the Free to Air coverage from Free sport and, hopefully, S4C will enable people who are unable to attend matches a selection of Pro14 rugby every single week at no cost.

When asked about any concern about affect on participation, MD suggested that participation is driven by activity on the ground in Clubs and schools as, practically, young people consume very little conventional TV, preferring other platforms and bite size digital clips. The new platforms provide Pro14 with much more opportunity to drive the digital marketplace and multiple delivery.

MD confirmed that based on his understanding the vast majority of the Regions' key partners and local sponsors were very supportive of the new platform as they fully appreciate the financial challenges of the Professional game in Wales and recognise the need to secure increasing revenue to meet increasing costs.

Supporters also raised question of the subscription fees and was there a risk these prices would go up after year 1 and MD stated that whilst he understood the concern, he felt it was unlikely given that Premier Sports are seeking to build a subscription and customer base rather than lift revenue from a limited number of customers.

5. Match Day Officials – PRO14

Once again there have been a lot of positive changes this season in the management, development and selection of Match Officials, however it is understandable that these will not be clear to supporters. Naturally, the implications of the SA clubs joining, with additional games and additional travel has been a challenge to manage within our pool of officials, some of whom are limited by their main employment. Pro14 has been successful in accelerating its development programme, with several new referees introduced this season, though a combination of the more complex logistics and costs, together with a recommendation that we work with teams of officials that have a working relationship, has meant that we have not been able to implement full neutrality. From a Coaching point of view, the coaches are clear that their preference is for capability of officials, particularly referees, rather than neutrality. For the assistant referees the same applies, though the Referee Managers have recommended the officials “team” approach as most effective. However, there remains a perception amongst fans that officials are not always ‘neutral’ when they officiate, which is an issue for the competition regardless of reality. Greg Garner, the new PRO14 Elite Referee Manager from August 2017 has reviewed all the structures & processes in place and is continuing to plan improvements for next season. The changes made so far have been positive and welcomed by both referees and coaches, particularly the disciplined review process of each round of matches, which is completely objective, based on full analysis and shared with both referees and coaches. Given the massive contribution of Pro14 referees to European and International competition, Referee development continues to be of paramount importance, and next season will see 2 new referees from Scotland reach Pro14 level, 1 from Italy and 2 from SA, including one of their top referees. Greg continues to review the consistency of TMO decisions and performance, together with their neutrality of TMO’s, which is severely compromised by the fact that most TMO’s are limited in their ability to travel as they are all amateur. In addition, the multiple broadcast partners included in our previous model resulted in marked differences in the technology support provided to each TMO by broadcaster. This issue is removed by the new Broadcast platform. Greg is considering the creation of a “TMO panel”, working the same way as the “Referee panel” to grow the number of TMO’s and so the number of options, he is also reviewing the direction taken in the NFL, where a studio ‘bunker’ is utilised with a panel of 3, rather than an on-site TMO.

6. Relationship with WRU and Regions

It was felt that this point had been adequately covered, so no other discussions took place on this issue on the agenda.

7. AOB

Question was raised by CRY16 re Dragons funding by the WRU. Some disquiet had surfaced with the conflict of interest as the WRU are now part owners of Dragons. MD made it clear that those concerns had been voiced and debated at length, but that the direction the WRU and the Regions are now taking together is resulting in a complete transparency across all 5 entities, including financial information. As the new structure evolves, based on clear & agreed objectives there should be no need for concern regarding fairness of treatment or potential conflict of interest. Dragons new Chairman and Board are making a significant contribution to the development of the new structure and being completely open with their business and rugby information.

Meeting closed at 8.50pm.