

**PROPOSAL FOR YORKSHIRE  
TO HOST  
THE 'YORKSHIRE RALLY'  
AS A ROUND OF THE  
EUROPEAN RALLY CHAMPIONSHIP  
2015**

# THE EUROPEAN RALLY CHAMPIONSHIP

**Note :** FIA = Fédération Internationale de l'Automobile, the World governing body of motor sport  
MSA = Motor Sports Association, a member of the FIA and the governing body of motor sport within England and Wales.  
WRC = World Rally Championship, organised by the FIA  
BRC = British Rally Championship

## 1 THE HISTORY

The sport of motor rallying is, unsurprisingly, a European invention. And it is much older than motor racing. The first events identifiable as a motor rally were run in the late 1890's. In 1911, the Monte Carlo Rally was born and was followed as the years passed by the Alpine Trials, the Tour de France and our own RAC Rally. After the Second World War, rallying became much more popular with new events such as the Acropolis in Greece, the Midnight Sun in Sweden, the German Rally and the 1000 Lakes in Finland. In 1953 the governing body of world motor sport (the FIA) recognised the importance of rallying by creating the European Rally Championship, three years after the introduction of their Formula One World Championship.

The European Rally Championship has run continually since 1953 and it lost only a little of its status and popularity when the FIA inaugurated the World Rally Championship in 1973. Indeed in the last decade, it has overtaken the WRC in terms of promotion and television coverage largely thanks to the efforts of the FIA and its partner, Eurosport. WRC events tend to have fewer entries, less manufacturer interest, less TV coverage and consequently, fewer followers and are mind-blowingly expensive for participants, organisers and spectators.

There is a WRC event run in Great Britain. It is called the "Wales Rally GB". Its original title was the RAC Rally – first held in 1932 – and it took in most of mainland UK including Yorkshire, Scotland, the Lake District and Wales. Since 2000, this British round has been run entirely in Wales. In 2003, the Welsh Assembly took up its sponsorship and it changed its name to its current title. When in 2009, the WA decided to terminate its sponsorship, there was an active effort made to try and move the WRC event to the northeast of England and base it in Yorkshire. Eventually, the WA settled its differences and the Wales Rally GB continues to be held exclusively in Wales.

However the people that had worked to try and attract it to Yorkshire suddenly realised that all the good reasons for attracting a major rally to Yorkshire would apply equally to a round of the European Rally Championship. Indeed, with the resurgence of the European Rally Championship and its far higher level of promotion and TV coverage, it might even be preferable to having a WRC event. An approach to the European Rally Championship promoter Eurosport was warmly welcomed and that is where the matter currently stands in September 2014.

## 2 WHY BRING THE EUROPEAN RALLY CHAMPIONSHIPS TO YORKSHIRE?

The European Rally Championship is the most vigorous rally championship currently existing. Its promoter is the most active and the most successful. Its TV coverage is unequalled in both quality and quantity. It currently comprises eleven events held in Austria, Latvia, Greece, Northern Ireland, Portugal, Belgium, Estonia, Czech Republic, Cyprus, Switzerland and France. Its entrants come from Austria, Belgium, Czech Republic, Estonia, Finland, France, Germany, Greece, Holland, Hungary, Italy, Latvia, Norway, Portugal, Romania, Sweden, UK, and Ukraine. All have their own national media following in addition to the international media that cover the European Rally Championship.

In the past, RAC Rallies have started and finished in Yorkshire – from both Harrogate and York – while the events themselves have often been won or lost on Yorkshire's forest roads. There is a large and enthusiastic following for rallies in the northeast and over 10 million people live within one hour's drive of the proposed base in Harrogate. Working on known attendance ratios, that is likely to mean well over 50,000 spectators coming to the rally.

Yorkshire possesses some of the best and most challenging forestry stage roads in Britain. Between 1961 and 1996, these were a staple component of the RAC Rally while many other national rallies were – and continue to be – run using these facilities. It also has a large number of stately homes and other venues ideally suited to provide shorter stages for spectators who enjoy easier viewing.

There already exist in Yorkshire active motor clubs with hundreds of members experienced in organising major rallies. Indeed, the proposal is to incorporate one of these events, the Roger Albert Clark Rally (named after the Englishman who won the RAC Rally twice in the 1970s) that caters for historic rally cars into the new event.

Following the Tour de France in July 2014, Yorkshire's star is very much in the ascendant with its global reputation stronger than ever. There is seen to be a need to capitalise on this investment by arranging for Yorkshire to host other major international events on an annual basis. Introducing a round of the European Rally Championship would fit that scenario perfectly especially bearing in mind that the TV coverage of the Tour de France was delivered by Eurosport, the promoters of the European Rally Championship. Eurosport want this Yorkshire round to be an annual event and a core addition to their championship.

The future potential of a Yorkshire-based event becomes all the greater in the light of present government proposals which, when approved, will give local authorities the power to close public roads for motor sport events. The potential spectator interest that running special stages on the public highway will generate cannot be over exaggerated.

There has been widespread support from MPs, Local Authority leaders, LEP chairs, YKTI and BIS but, until the first weekend in July ensuring a successful Tour de France Grande Depart had been uppermost in everybody's mind. However in order to meet the 2015 ERC events timetable a deal needs to be in place by October 2014. Financial support is required from local authorities and private sector sponsors to kick start the process.

While the initial plan was to seek a major commercial sponsor it became clear that getting the local authorities to share the cost would raise serious issues in terms of public money being spent on an event which would be perceived to benefit one commercial company. It became clear that, for this and a number of other reasons, a group of perhaps seven private sector sponsors none of whom would directly benefit but importantly be seen to support Yorkshire and its diverse communities, would offer a balance of county-wide organisations seen to be supporting the county following the hugely successful Tour de France Grande depart.

The Yorkshire Rally will be a motorsport spectacular never before seen in Yorkshire that will revive memories of the legendary RAC rally of the 70's & 80's for which Yorkshire provided host cities in Leeds, Harrogate & York and provided competitive stages in both the Yorkshire forests and country house estates around the county.

Rally Cars, Service Barges, Officials, marshals and spectators will bring a party atmosphere around Yorkshire over the week of the event. The proposal is that a round of the European Rally Championship should be held over the weekend of the 31<sup>st</sup> October/1<sup>st</sup> November 2015 (date subject to FIA confirmation) and that it be based in Harrogate using the show ground as the main service point. There will be a static display of legendary rally cars spanning several decades of international rallying and both Prodrive & M-Sport have confirmed that cars such as Colin McRae's RAC winning Subaru and equally significant Ford rally cars will be on display.

### **3 EUROSPOORT AND THE YORKSHIRE RALLY**

The co-operation between Eurosport and the event is multi-faceted. It is also flexible regarding its delivery of TV and media advertising. This enables a much greater benefit to the event and its partners than is evident at first sight.

#### **TV**

The first and most obvious thing is that the event will be televised and shown on Eurosport's two channels, Eurosport and Eurosport 2 plus news coverage in Eurosport News. These channels have global coverage through nineteen European networks, twelve Asia-Pacific networks, three in North America and various other distributors in Central and South America and Africa. In Europe alone, the programmes generated by this event are currently received in 136 million homes in 54 countries (Eurosport) and 73 million homes in 51 countries (Eurosport 2).

Typically, direct TV coverage of the event on Eurosport (and repeated on Eurosport2) would span four days with presentation and promotion of the event on Day One, news during Day Two with a half-hour programme in the evening with the same format again on Day Three. In addition, on Day Three there would be a one-hour programme compiled for distribution outside Europe. Finally two days after the event, there would be a further half-hour magazine programme on the rally.

During all that TV coverage, there would be a total of forty-two thirty-second advertising spots allocated on Eurosport and a similar number on ERC2. Because of the flexible approach, this advertising time can be utilised in many ways. The advertising spots supplied by the sponsors of the event may be from fifteen-

second up to one hundred and twenty seconds instead of the thirty quoted in the Eurosport Media Proposal in which case the number of spots available would vary to keep the total advertising time the same. Furthermore, spots may be supplied from more than one event sponsor.

The flexibility of the advertising arrangements can extend even further. For example, if an event sponsor is not interested in exposure outside the UK, then Eurosport can allocate the value on TV to digital advertising on the Eurosport UK website.

In the main, the advertisements placed in the main TV sports need to be at least bi-lingual focussing on English and French (subtitles are allowed) but German and Spanish can also be used.

As well as the arranged advertisements, the event organiser is free to place whatever banners he likes throughout the event, that is start and finish, time controls, scrutineering and on the special stages themselves. Prior to the rally, Eurosport will carry out a survey of the stages to select cameras positions and this information will be shared with the organisers to enable sponsorship banners to be usefully and strategically placed for the event.

## DIGITAL

If the TV coverage might be described as the 'tip of the iceberg', then the mass below the waterline comprises the digital backup that springs from the other functions of Eurosport. These fall into three broad categories: websites (15 local websites), applications for mobile phones and tablets (11 local links), and social media (Facebook and Twitter).

Eurosport has its own website in fifteen languages that features all sports but on which can be found information about European Rally Championship events, results and personalities. There is also an European Rally Championship website featuring lots more information about the events, their routes, the competitors, results, spectator information etc. and this is available in five languages. On both websites there are videos from the championship rallies and relevant advertising. In a single month, this one website expects to have over three hundred and forty thousand pages and over forty thousand videos viewed. A permanent masthead on the website can be negotiated as part of the advertising package. Incidentally, the same team that produce the written material for the website is also responsible for creating and sending out pre-event, on-event and post-event releases to newspapers, magazines, and news programmes throughout the world.

All these digital outlets will carry identity and news from this event. And they can also carry advertisements from event sponsors as a trade off with the number of TV advertisement spots.

While the dedicated European Rally Championship website is firmly linked in to social media outlets – Eurosport's Facebook account is currently followed by 4.3 million fans while the European Rally Championship Facebook account has 176,000 followers – there is also an ERC mobile application that can be uploaded to mobile phones and tablets. In just the first six months of 2014, this application has been uploaded twelve thousand times. Eurosport suggest a shared strategy with event sponsors who have their own social media accounts (e.g. Welcome to Yorkshire) to ensure that these are maximised both before and

during the event. Should an event sponsor wish to create his own mobile application, then Eurosport would be happy to supply the expertise at his cost.

## SUMMARY

The package of support provided by Eurosport Events goes far beyond just televising the event. For any sponsor of the event, there are many ways in which that support can be targeted to suit their individual needs.

Sponsors need to produce their own advertising spots and supply them to Eurosport in an acceptable form, but Eurosport will do any necessary editing or trimming. They will also produce for the event, a four-minute special programme about Yorkshire as sports destination and this will be shown three times on both Eurosport and ESP2 and hosted on the video section of the Eurosport website. This video will be rights free for the event sponsors to use as they see fit.

Eurosport estimate that the value of their involvement to the event and its sponsors in terms of advertising and publicity is the equivalent of spending some £509,000 (discounted to £288,000 cost charged to the event organiser) on advertising. In this respect, it should be noted that the TV advertisement value associated with just over three hours of Eurosport event coverage equates to approximately £1.5 million. Thus taking into account the value of the advertisements that go alongside that TV coverage – £0.5 million – the event and its sponsors are getting an exposure value of £2.0 million for a cost of only £288,000.

## 4 BENEFITS

The Yorkshire Rally will bring economic benefits to the region from the following influx of people and their vehicles :

- a. Over 100 rally cars, crews & service teams totalling over 1,000 people
- b. Officials, Eurosport personnel and media coming to the event from Europe - 500 people
- c. Bed nights around the route in the region will total some 3,500.
- d. Spectator numbers could easily double the number of bed nights to 6,000 to 7,000 nights over the week of the event.

Economic Impact Assessments undertaken on British Rally Championship events that currently attract a fraction of the entry or media razzmatazz that an European Rally Championship round would generate show that an BRC event brings into the region some £2 million pounds. It is to be expected that this figure would be increased by at least be 4 or 5 times for the Yorkshire Rally event.

Looking to the future, after the Rally has taken place it is the intention to use the resources of the Sporting Industry Research Unit at Sheffield, Hallamshire University, to evaluate the actual impact of the rally on the communities of Yorkshire with a view to hosting a further round of the ERC in 2016.

## 5 EVENT LOCATIONS

The event will be centred on the Yorkshire Event Centre at Harrogate Showground. This has the required amount of hard standing for the event 'service area' as well as a covered building area in which vehicle scrutineering and administrative documentation can take place. It is also able to provide suitable accommodation for a static display of historic rally cars and these will be loaned by both M-Sport (Ford) & Prodrive (Subaru) amongst others.

The venue may also be utilized for the ceremonial start and finish, although it may be decided that it is preferable for this to use a Harrogate City Centre location.

The Rally will use a number of spectator-friendly locations with the object of bringing motor sport to the general public who might not normally be enthusiasts. In this regard, the following venues are under consideration for use as Special Stages. :

- a. Temple Newsam Park, Leeds
- b. Harewood House
- c. Bramham Park, Leeds
- d. Duncombe Park, Helmsley
- e. Oliver's Mount, Scarborough

The majority of the competitive element of the event will be run on Special Stages based within the Forestry Commission land on loose surface forestry roads within the Dalby/Pickering complex. In making decisions, on which competitive stages will be used spectator safety considerations will be paramount. However, bearing in mind that these venues have been used on many previous rallies, including the RAC rallies of yesteryear, we are confident that all safety issues can be properly managed.

Motor Sport is recognised as having inherent dangers both for its participants and for the officials & spectators. Consequently both the FIA and the MSA have built up a formidable set of regulations covering all aspects and the ERC Yorkshire Rally will be required to adhere strictly to the 'Blue Book' MSA regulations supplemented by other regulations required by the FIA under which the ERC is run. The organising team will, in fact, exceed safety requirements in the light of its long experience in using these special stages.

Finally there will be three official stewards: two appointed by the FIA who must not be from the UK and a third appointed by the FIA who will be from the UK

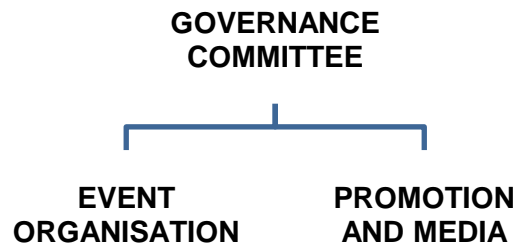
## 6 ORGANISATIONAL STRUCTURE

Since funding will be coming from both the private and public sectors, it is essential to ensure that such monies are properly managed and accounted for, it is proposed that a Project Manager from the public sector leads on this project. Logically it should be a senior officer from the host town, i.e. Harrogate.

Colin Heppenstall will be appointed as Clerk of Course. Colin is 47 and has been organising motor car rallies since he was 23. He has been Rally Manager for the Roger Albert Clark Rally for the last 10 years and his full time employment is as Head of Corporate Procurement for Police Scotland.

Colin has a team that is very experienced in organising and promoting motor sport and his wife Nicola (who is a licensed Clerk of Course in her own right) will lead most of the event preparation work and be part of the Operational Group.

It is proposed that there will be two committees, Governance and Operational with Operational split into two groups, event organisation / promotion and media.



It is proposed the Governance Committee consist of;

- Project Manager
- Rob Norreys, Leeds City Council
- Colin Heppenstall, Clerk of the Course
- Chris Knowles-Fitton, Event Director
- Local Authority Elected Member

The Event Organisation Committee consist of

- Colin Heppenstall, Clerk of the Course
- Rod Parkin MSA; Forestry Liaison Officer
- David Bowe, NYCC Highways
- Chris Knowles-Fitton, Event Director
- A sponsor from the private sector?

The Promotion and Media Committee consist of;

- Welcome to Yorkshire
- Gideon Reeves, Eurosport
- Colin Heppenstall, Clerk of Course
- John Davenport, journalist, ex-competitor and rally team manager



## 7 BUDGET & CASH FLOW TIMELINE

The event will be organised and promoted by the De Lacy Motor Club operating in concert with the Roger Albert Clark Rally Motor Club Ltd. Both these clubs are set up as non-profit making organisations and thus the money received from entry fees is not liable for VAT. However, both Clubs are limited companies and are registered for VAT for all income & expenditure.

The expenditures in the initial period to 31 March 2014 will be limited to deposits to reserve bookings on venues and accommodation.

The expenditures from April up to and including the event at the beginning of November will gradually increase with the majority of payments being made within a 14 day period both prior to and after the event.

<b>YORKSHIRE RALLY – EXPENDITURE</b>	
<b>Budget Line</b>	<b>Expenditure £</b>
Sanction Fee	285,000
FIA/MSA Permit	24,581
Land Use fees	115,560
Forestry / Footpath closures	10,957
Safety & Rescue	15,000
Communication	12,250
Equipment	11,750
Boards	26,510
Stage – Spectator Safety	17,000
Other - Printing	16,500
Printing	27,637
Accommodation	20,800
Awards	8,500
Mapping	8,000
Results	5,000
Service Area – Hire & Equipment	22,000
Petrol	13,500
Postage	2,800
Telephone	800
Subsistence	7,500
Clothing	23,750
Officials	69,800
Other Hire	31,800
Miscellaneous Fees	30,000
Event Promotion	60,000
Other Promotion activities	18,000
<b>Total Cost</b>	<b>885,000</b>

Table 1

The forestry fees that total some £90,000 are paid in two instalments, the first 60% of the costs 3 weeks prior to the event and the balance within seven days. It is normal practice for non forestry venues to be paid upfront seven days prior to the event being held.

Income for the event will be generated from four areas: Commercial Sponsorship, Event Entry Fee's, Spectator tickets, Public and Private Sector Funding.

<b>YORKSHIRE RALLY – INCOME</b>	
Private Sector Sponsorship	250,000
Event Entry Fee's	250,000
Spectator Fee's minimum	100,000
Public Sector Funding	285,000
<b>TOTAL INCOME</b>	<b>885,000</b>

Table 2

Note: One private sector sponsor has already committed to a £ 50,000 contribution and three other motoring-related organizations have promised to provide help in kind (loan of vehicles etc.) that would be equivalent to a minimum of £ 10,000.

It is also assumed that the host city of Harrogate will contribute £ 50,000.

The immediate and overriding issue is the € 350,000 sanction fee required by the promoter Eurosport. This is approximately the sterling equivalent of £ 285,000 and will need to be agreed by the end of September. Once that commitment has been made, further approaches to the private sector can be made confident in the knowledge the Rally will definitely be taking place.

The nature of the financial arrangements makes identifying individual authority financial contributions impossible at this stage because of the number of variables. Nevertheless, as it stands now the overall risk lies between £ 400 K & £ 450K based on the assumptions in the paragraphs above.

Bearing in mind that the estimate for spectator revenue assumes no more than 10,000 spectators at £ 10.00 per head it can be readily appreciated that a possible figure of 50,000 spectators would add a further £ 350 K (allowance here has been made for discounted tickets bought in advance etc.) An increase in entrants from 105 to 130 would add a further £ 40 K. Additional revenue arising from these increases would then be paid back to contributing authorities on an agreed pro-rata basis.

The principal members of the organising team base the above figures for expenditure and income on their knowledge and experience in the organisation of motorsport.

## 8 RISKS

<b>RISK MANAGEMENT PLAN</b>	
<b>Risk</b>	<b>Contingency</b>
Permit fee not funded by end of Sept / early Oct 2014	Rally not run public and private sector sponsors
After permit fee paid for event rally does then not take place	Insurance
Lack of coordination & poor communication .	Governance structure established and key appointments made.
Costs higher than anticipated.	Establish contingency fund
Serious injury to competitors and/or spectators	Strict application of the Blue Book MSA regulations supplemented by all regulations required by the FIA under which the ERC is run  Three official stewards will be appointed by the FIA

Table 3

## 9 EVENT TIMELINE

<b>KEY MILESTONES</b>	
Payment of Sanction Fee	End Sept / Early Oct 2014
Award of European Rally Championship Status	Early October 2014
Establish Governance and Project Set Up	End October 2014
Project Plan Approval	End November 2014
Date of Rally	October / November 2015

Table 4