

CUSG 14 August 2023

Club update


This update is, as usual, focused on operational matters within the remit of the 1921 Operational Board. I will take any further questions from CUSG groups at the meeting on 14 August 2023 and answers will be detailed in the minutes.

| Issue | Reference/Comments | Status |
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| <p>David Wilkes</p> <p>The club recognised Dave with the fans before the start of the friendly, and in the In Memoriam at the Fleetwood game.</p> | <p>We agreed at the last CUSG to dedicate the Academy Player of the Year Award in memory of Dave. It will now be known as the “Dave Wilkes Academy Player of the Year Award”.</p> | <p>Information</p> |
| <p>Supporters</p> <p>SLO is progressing two projects with Tullie House to display the heritage of the Club</p> | <p>See SLO report.</p> | |
| <p>Warwick Road</p> <p>The club/SLO continues to work with the Warwickroadenders and CUOSC to introduce flags to add to the match spectacle. We hope this continues in 23/24.</p> | <p>SLO and club welcome and will support further efforts.</p> | <p>Ongoing</p> |
| <p>Bars</p> <p>Arrangements for Raw Lounge in McConnell’s bar for 23/24 have been confirmed.</p> <p>Food, with improved facilities and guests are now on offer. Advance purchase tickets to use the lounge are now on sale – contact the commercial department.</p> <p>https://www.carlisleunited.co.uk/news/2023/july/match-day-raw-lounge-launched-for-next-season/</p> | <p>Membership for the season is £750 – includes season ticket, food (self-service) bowl food and pasty at full-time. For fans who have already purchased a season ticket the price is £290 for the season for access to the lounge, and food for every league game (works out at £10+ vat per game). Game by game the price is £40pp, includes ticket and food.</p> <p>0330 094 5930 (option 3) or email commercial@carlisleunited.co.uk.</p> | <p>Information</p> |
| <p>Fans Zone</p> <p>A second container bar has been installed to increase capacity and improve service. This was in action for the Dundee United friendly. Additional seats have been delivered.</p> <p>Fan Zone access at half time for fans from the Paddock South and WRE confirmed with fans to be scanned in and out.</p> | <p>We would still welcome new food vendors to join us. Please contact catering@carlisleunited.co.uk.</p> | <p>Information</p> |
| <p>Behaviour at games</p> <p>We continue to be under FA investigation for incidents at the Bradford Play-off second leg, including pyros, missiles, pitch incursion and pitch invasion. The outcome is to be confirmed by the FA. We are working closely with the Police.</p> <p>We were fined £7,500 by the FA for racist chanting at the Boxing Day game versus Bradford. We have pleaded guilty and are awaiting the sanction.</p> <p>After incidents v Fleetwood we again appeal to fans to behave. These incidents of fan disorder must not continue into the 23/24 season. They are damaging the club.</p> | <div data-bbox="840 970 1120 1241" data-label="Image"> </div> <p>We will confirm outcomes in due course.</p> <p>In advance of the new season we again appeal to fans not to misbehave.</p> <p>We are implementing an FA action plan. As part of this we held an emergency CUSG meeting last week</p> <p>We will continue to work with fan groups on ways to avoid instances.</p> <p>We will continue to issue posters and use social media to try and get the message across. We announced a series of measures to improve fan behaviour.</p> <p>https://www.carlisleunited.co.uk/news/2023/august/club-warwick-road-end-update/</p> | <div data-bbox="1765 965 1989 1228" data-label="Image"> </div> <p>Information</p> <p>Appeal</p> |



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| <p>Memorabilia continues to be collected and donated by fans. The collection is now sizeable and still growing. New items are being put on display in the west stand bars every month. Options to display more are being explored by the SLO.</p> | <p>Any other donations will be welcome. Details of the collection will feature in an SLO website article shortly.</p> | <p>Ongoing July 2023</p> |
| <p>Retail</p> <p>The training kit went on sale in wk2 July. The second retail kit order is due to arrive in late August.</p> <p>The new e-store was launched in late June alongside the kit launch. It is a major upgrade and has worked well so far. Huge thanks to Shopblocks https://www.shopblocks.com/ for its work in the implementation.</p> <p>New developments being implemented are:</p> <ul style="list-style-type: none"> • Click and collect – in operation. • Online and in-store loyalty scheme. • Direct marketing. | <p>https://www.carlisleunited.co.uk/news/2023/july/blues-store-new-website-launched/</p> <p>https://www.carlisleunited.co.uk/news/2023/august/blues-store-loyalty-scheme-launched/</p> | <p>August Complete</p> <p>Ongoing</p> |
| <p>Commercial</p> <p>Match day sponsorships and hospitality are selling very quickly for Foxy's, 74-75 and Kingmoor Park Legends Lounge. There is already limited availability across all the season. Please book early - do not wait.</p> <p>Commercial advertising, sponsorships and partnership opportunities are also being taken up quickly. Pitch side advertising boards are sold out. Stand sponsorships are sold out.</p> <p>For the first time the Family Zone will be sponsored. The Fan Zone is also available to be sponsored game by game.</p> | <p>Contact the commercial team on https://www.carlisleunited.co.uk/news/2023/february/club-staff/</p> <p>https://www.carlisleunited.co.uk/news/2023/july/commercial-new-c-stand-sponsor-confirmed/</p> <p>Details to follow.</p> | <p>Information</p> |
| <p>Tickets</p> <p>We reiterate all ticket exchanges or upgrades should be carried out prior to match day.</p> | <p>Requests on the match day will be declined.</p> | <p>Information</p> |
| <p>Friendly</p> <p>There has been comment about prices for the friendly v Dundee United.</p> <p>The attendance for the pre-season friendly with Dundee United of 2,853 with 2,115 home and 738 away, was the highest for a home friendly in over decade. It was over 20% higher than the next best in the last 12 years.</p> <p>The home fans attending was the highest since before 2012. It was the first time we have had over 2,000 home fans attend a pre-season friendly, despite playing Championship, SPL sides and local teams like PNE and Blackpool (in a decade). The previous high was 1,762 home fans in 15/16 v PNE, who were in the Championship.</p> | <p>Home friendlies provide valuable unbudgeted income to add to the clubs spending on football. For away friendly games we get no income and a small contribution to costs. At home we have to cover all the match costs and share any surplus.</p> <p>In 10 games over the last 10 years, despite lots of different opposition from different divisions, and prices ranging from £10 to £15, almost every game saw 1,200-1,500 home fans.</p> <p>We will take the comments on board for next season.</p> | |
| <p>Fleetwood game L1</p> <p>Saw second highest match ticket income for a league game since November 2007 (nearly 15 years). Yield per head (match ticket income per ticket sold) was up 11% on 22/23, reflecting the higher match ticket price.</p> | <p>Overall crowd of 10,000 was the best opening day crowd and most home fans for over 15 years.</p> | <p>Information</p> |
| <p>Season tickets</p> <p>Season ticket income so far is up circa +£250k (58%) from both increased sales numbers and price per ticket.</p> | <ul style="list-style-type: none"> • 3,100 sold compared with 2,197 for 22/23. This is up overall 41%. • Average yield price per ticket is up +16% (from higher prices & sales mix). | <p>Information</p> |



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| <p>Catering</p> <p>The takings v FTFC were the second best on record for a league game (after the Salford last game of the season). Wigan was the best ever for a Tuesday night.</p> | <p>We are continuing to look to make improvements where funds allow.</p> | <p>Information</p> |
| <p>Stadium</p> <p>The East Stand was dedicated in honour of Andrew Jenkins in July, and subsequently a new long-term sponsorship deal was announced with Pioneer Foodservice.</p> <p>Work to bring a second training area on the east side is advancing. Seeding was planned for late July but heavy rain has delayed that operation.</p> <p>Front fascia on the WRE stand facing the pitch was completely replaced in early July.</p> | <p>The East Stand will now be officially known as The Andrew Jenkins Stand sponsored by Pioneer Foodservice.</p> <p>Thanks to back of shirt sponsor Story Homes for its support and assistance.</p> <p>Huge thanks to PMS for its support in undertaking this work</p> | <p>Complete</p> <p>Ongoing</p> <p>Complete</p> |
| <p>EFL</p> <p>EFL Football is a highly compliance-driven business off-the-field. The regulatory regime continues to toughen, especially over club governance, finance and cost control, match day, safeguarding, EDI, security, H&S and player care. Financially an increasing number of clubs are breaching EFL regulations.</p> <p>New EFL regulations were implemented from early June. In 23/24 we will use multi-ball in League One. Match officials will also change approach to timekeeping and discipline.</p> | <p>The Fan Led Review will bring more compliance and regulation.</p> <p>Club operations are constantly being independently audited, reviewed and inspected. The instances of clubs being charged and sanctioned for financial and other regulatory breaches by EFL and FA are continuing.</p> <p>https://www.carlisleunited.co.uk/news/2023/july/efl-match-officials-to-adopt-new-approach/</p> |  <p>Information</p> |
| <p>EFL Safeguarding</p> <p>Safeguarding is a key area of focus for the club.</p> <p>https://www.carlisleunited.co.uk/news/2022/july/efl-safeguarding-standards/ . We have our strategy “<i>Safer together</i>” being implemented.</p> <p>We are expecting an independent audit of safeguarding by Barnardo’s in 23/24.</p> | <p>Our strategy and all club safeguarding policies have been reviewed and updated for 23/24. Our overall strategy, approach and the documents are detailed on the website https://www.carlisleunited.co.uk/safeguarding/</p> <p>Scott Taylor is the club’s Designated Safeguarding Officer, his details are here: https://www.carlisleunited.co.uk/news/2022/july/club-staff/</p> | <p>Information</p> <p>Contact</p> <p>Audit date tbc</p> |
| <p>EFL EDI and Mental Health</p> <p>We have finalised our Equality Action Plan 2022-2025 “<i>Stronger Together</i>”. We are now in the implementation phase which will include surveying fans in Summer 2023 on a range of EDI issues.</p> | <p>https://www.carlisleunited.co.uk/news/2023/january/edi-equality-action-plan/</p> <p>Club EDI survey to be issued In Q3 2023.</p> <p>Contact Nigel Davidson (EDI Officer) if you want to get involved in EDI, for more details. https://www.carlisleunited.co.uk/news/2022/july/club-staff/</p> | <p>Ongoing</p> <p>31 Aug 2023</p> <p>Contact</p> |
| <p>EFL Green Code</p> <p>As an accredited “Green Club”, we are committed to improving our environmental practices and operations as we continue our journey to a more sustainable future.</p> <p>Fans with a passion for sustainability are wanted to help us.</p> | <p>We are completing the finals stages of formulating our “<i>Green Plan</i>” strategy, which we will now publish in August.</p> <p>Get in touch via the SLO.</p> | <p>31 Aug 2023</p> <p>Contact us to Volunteer</p> |
| <p>Fan Led Review</p> <p>The EFL and PL and FA are continuing to negotiate changes to the game in parallel with these reforms.</p> | <p>No change since the last update.</p> | <p>Ongoing</p> |
| <p>Academy</p> <p>We are scheduled to receive a full routine independent audit of EPPP compliance in 23/24.</p> <p>We have advertised and have started the very difficult job of replacing Dave Wilkes.</p> <p>Supporter behaviour across the whole game is under scrutiny. Our Club Supporter Sanctioning Policy now also applies to spectators at Academy games.</p> | <p>Full EPPP audit date to be confirmed.</p> <p>Whether it is at first team games and training, or Academy games and training, all participants must be respected by fans. Action will be taken in line with club policies where spectators misbehave at any CUFC games, including Academy.</p> | <p>Audit date tbc</p> <p>Information</p> <p>Information</p> |



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| <p>Potential investment</p> <p>I am personally very proud of the fact that our engagement with supporters is amongst the best in English football in independent surveys. I always try to ensure we are honest and truthful and provide full information to fans. Again, I have always said if we can't give details on something, we will say so and explain why.</p> <p>I have seen the media and social media speculation. I understand the desire from fans who want know what is happening, and for the media to do its job in finding out and breaking news. From a club point of view, sometimes having the detailed information in public can be counterproductive to what is best for the club. Lots of different people can be involved with different agendas and it is sensitive and delicate.</p> <p>It is a difficult balance for us to weigh sharing information with fans in these circumstances, with doing what is in the best interests of the club. I have consistently said that doing takeover deals in football in a public glare and media spotlight is not conducive to achieving a successful outcome. I still strongly believe that.</p> <p>Lessons of the past</p> <p>When I joined the club in mid-2016, it was already over a year into an investment deal with a Middle Eastern "Billionaire" which had started in 2015. After nearly two years that ended fruitlessly. That had come after another deal which had been announced to huge media headlines in 2015, but again that had also come to nought.</p> <p>I said early on in my role, if ever the club received future investment enquiries they would be handled differently. They have been. It is easy for interested parties to make great promises about their funds and plans.</p> <p>The club has had a number of false dawns with investment interest that started with big hype and fanfare, creating huge fan anticipation and expectation, but which then ultimately ended with nothing - except disappointment, reputational damage and acrimony.</p> | <p>Going back to before 2015 the shareholders consistent message to supporters and interested parties is that the door was open for investment and the sale of the club. This has been reiterated many times at fans' forums.</p> <p>After the best season in a decade, and with the momentum from a fantastic promotion plus a new season just starting (with all the optimism that brings), the time is right to capitalise on all the hard work of recent years and push on.</p> <p>Sometimes, if we all want the best for the club, on key important issues like a takeover, then there has to be an acceptance that the detail of what is going on behind the scenes must stay behind the scenes until it's right that it should come into the open.</p> <p>It is not in the best interest of the club to get drawn into a repeat of what it did before with those failed deals, by again doing its business in public and the media. That's why the club needs to take a cautious approach.</p> <p>We have to carefully judge proposals, look how people operate and behave and assess whether to take discussions further.</p> <p>As a point of principle, if takeover interest develops to reach a stage where information can be shared with fans, and it will make a deal more likely, it will be done so straight away.</p> | |
| <p>Context to any possible takeover</p> <p>While the opportunity to invest/takeover the club is there (as it has been since 2015), doing any deal is a challenge. Fans know this already, but it's important to keep this in mind.</p> <p>The individual shareholders have similar priorities (like the best interests of the club) but their own specific requirements which are not all the same. The wishes and priorities of CUOSC are also different.</p> <p>For many potential investors, they immediately see a 25.4% shareholding held by CUOSC as a deal-breaker, they want a far bigger and controlling shareholding and ownership. Some want to wipe out CUOSC straight away if they come in, or have the opportunity to take them out in full whenever they want (leaving no fan ownership element). Some fans may argue - people with that plan should be treated with caution.</p> <p>The club has legacy debts to Purepay and PFD. The Purepay debt dates back to money advanced between 2017 and May 2019. The PFD debt from before 2016.</p> | <p>This is why despite an open door and past attempts, previous proposals were unsuccessful. A deal is not done until it's signed.</p> <p>So, any takeover deal needs CUOSC support (which in turn needs fan support from CUOSC members as its board has promised to ask its members) before it agrees to any deal effecting its current position.</p> <p>Repaying debt takes cash from on the field and can quickly jeopardise on-field results, which can quickly lead to league struggles combined with low gates and financial crisis. Not investing in facilities builds up a problem for the future, and a bigger backlog. Not repaying debt runs the risk of those owed money demanding money and a crisis regardless of how everything else is going.</p> | |



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| <p>We now have more certainty over future player sell-ons after the Trafford sale. Potential future cash from sell-ons will not be transformational, I've said that before. It's far less than media reports, and cash comes in over a long time. Those deals will help but not repay the Purepay debt alone or anytime soon.</p> <p>The club's legacy debts must be addressed as part of any takeover deal. This is usual in football and has been the case every time there has been a past change of ownership here.</p> <p>When the current ownership group took over, they inherited a legacy debt and reached an agreement over what was to happen to it, in their ownership. Fred Story left his legacy debt interest free and unsecured. He received some cash over an extended period from cups and player sales, and eventually very generously wrote off some debt to help the club progress. It was his gift to the community and club, and he is rightly lauded for that.</p> <p>When EWM began providing funds, the £450k legacy debt of PFD was left interest free and unsecured, with no repayments either. That facilitated the funding from 2017.</p> <p>I have said before, it is not possible to progress an investment deal while the club owes money and that money can be called in on-demand at any time, with no notice (for example immediately anyone takes over the club). Why...?</p> <p>The message is clear from potential investors. They want to improve the future of the club and want to see their cash stay in the club to give it full benefit and make the most impact.</p> <p>From a shareholder and guarantor point of view, if the Purepay debt remains unresolved, they would still guarantee a debt and if they have sold shares in club, they are still liable for the debt but have lost all influence.</p> <p>Building on the positive news of a meeting reported by John Nixon in the June fans' forum, Purepay is now engaging with the club via its lawyers, by letter. Last week we submitted a new proposal. It's been prepared to be realistic and affordable and not jeopardise the club.</p> <p>Fans need to understand, looking from the point of view of a lender, those who lend money expect to get it back. There is no doubt that by not asking for all its money back on demand so far, or even over a short period (of say a couple of years) the club has not been faced with the serious implications that it could have had.</p> <p>Everyone should consider this unemotionally as a pure financial matter with no room for sentiment.</p> <p>We hope the response from Purepay to our proposal, will be favourable and it can play a part in making investment realistically achievable, but there are no guarantees.</p> <p>For all the reasons above, as far as the club is concerned, it has to be business as usual.</p> | <p>The club can afford to repay debts, but that takes time - like a mortgage. That way the club can afford it without jeopardising itself. Also, the club must continue to have the source and sufficiency of funds under EFL Regulations so material adverse financial changes can create EFL intervention (as we have seen at other clubs).</p> <p>In leaving the club Fred Story helped it into its next chapter and did not jeopardise it.</p> <p>With the fantastic support of PFD ("The Andrew Jenkins Stand sponsored by Pioneer Foodservice" was announced this week), its debt is being dealt with in a way to help the club.</p> <p>Nobody would ever take over any club where there is a risk that on day one, there could be a demand for immediate debt repayment that takes new money out again or creates a crisis. Similarly, under current EFL regulations, a deal with that risk would not go through.</p> <p>No shareholder would sell shares in those circumstances. We need to have clarity and certainty. We do not at present.</p> <p>For these reasons, the club has been seeking to engage with Purepay.</p> <p>The club must be grateful and continues to be grateful for that time and space and financial support given by Purepay, and before that EWM.</p> <p>Anyone owed money has its own priorities and funders who they are accountable to.</p> <p>We will keep fans updated on its response in due course.</p> <p>The key priority remains dealing with the Purepay debt, as it is key to unlocking any future takeover and the new investment the club needs.</p> | |



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| <p>Current speculation Without getting into the detail:</p> <ul style="list-style-type: none"> • Yes, we are getting more calls and enquiries about investment – that’s no surprise given our promotion and the increasingly visible potential of the club. • Yes, there is credible interest from people in taking-over the club. • Yes, the shareholders, board and CUOSC have met people and held discussions. These are continuing. • Yes, some people have visited the club and also attended games. | <p>Clearly because of the factors I have explained, looking generally at any future takeover; is not easy and the process is not quick (even setting aside EFL regulatory requirements).</p> | |
| <p>Finally, from a personal point of view, I believe the club is in its best position for over a decade:</p> <ul style="list-style-type: none"> • CUOSC and shareholder relations are good. • Fan engagement is in a good place. • Gates are the best for a decade and we have a new generation of young fans now who are also coming to love the club. • Off-the-field business trading is the best in a decade. • Most importantly we have the success of a promotion on-the-field. • The PFD debt and other issues have all been dealt with. • The other debt remains to be dealt with and we are trying hard on this. <p>As I look to the future, the opportunity is there for the club to grow and be better. That makes things potentially exciting looking ahead. Who would not want to be part of helping to make that happen? It would be brilliant, wouldn't it?</p> <p>For all of us associated with the club either directly or indirectly we all have a huge responsibility to do all we can to take the opportunity the club now has. That is what I am focussed on.</p> <p>In the meantime, I ask fans to be patient and understanding and I will update when I can.</p> | | |