



## Rugby New Zealand 2011 Ltd Stakeholder Newsletter

Good Morning Everyone

I am now firmly on board with Rugby New Zealand 2011 Limited ("RNZ 2011") and am quickly coming up to speed with the various issues that the organisation and the stakeholders associated with the organisation will be facing, particularly during 2007 and 2008.

This newsletter is the second in a series of regular communications that I will be sending to our organisations key stakeholders to keep you up to date and in touch with what is happening as we move to plan for this fantastic event.

The good news is that there is already a significant amount of momentum having been created in a number of areas, as you will see from the information set out below, but likewise there are very many challenges that have to be addressed and overcome as we go forward.

### ***Key 2007 objectives***

In very short summary, the following are the key objectives for RNZ 2011 during 2007:

- The initial work that has been done to build the organisation including key initial staff appointments.
- Relationship building with key stakeholders.
- Strategic and business planning not only for 2007 but for the full period leading up to and including RWC 2011.
- Learnings from RWC 2007, Cricket World Cup 2007 and other major events, either recent or shortly to take place.
- Individual issues, including the likes of Eden Park, the format of RWC 2011 and game and team allocation for the tournament.

### ***RNZ 2011 –Staff Appointments***

The following key appointments have been made in recent months:

- Therese Walsh (General Manager – Corporate Services)
- Nigel Cass (General Manager – Tournament Services)
- Andrew Steele (Business Advisor – Tournament Services)
- Sally Kane (Business Advisor – Corporate Services)
- Cath Ingram (Executive Assistant to the Chief Executive)
- Sharon Carle (Temporary PA to RNZ 2011 management)



The organisation will gradually build year by year as the intensity and size of the tournament tasks grow and the tournament draws nearer.

### ***RNZ 2011 Premises***

We have now secured premises at Level 11 – Investment House (corner of Featherston and Balance Streets).

The premises are currently being fitted out and we would expect to be in a position to take occupation of these by late June/early July.

### ***RNZ 2011 Financial Overview***

From a financial point of view, the bald facts (under current financial forecasting) are:

- The tournament costs, including the guarantee fee payable to RWCL (“IRB”) will be \$310m.
- Anticipated revenues from ticket sales will be \$280m.

Therefore, under current forecasting, the tournament is anticipated to be run at a loss of approximately \$30m.

The challenge for RNZ 2011 is to deliver a world class event whilst maintaining strict financial controls to protect the expose of RNZ 2011’s shareholders (the New Zealand Government and the NZRU).

### **Relationship building**

A major focus for me and all RNZ 2011 management throughout the remainder of 2007 will be relationship building with the key stakeholders associated with the organisation and this tournament.

### **Shareholder Workshop**

A major step in the initial relationship building exercise will be a Shareholder Workshop which is taking place at the end of May and which will involve Chief Executives and leaders within RNZ 2011 and its shareholders, including government agencies.

A key objective of this workshop, in addition to the initial relationship building, will be to make sure that there is clarity about the respective roles and responsibilities of the stakeholders in this project as well as to provide a forum for the sharing of information, learnings and ideas.

## **Tournament format/timing**

As you will have seen in the media, there is still some conjecture as to whether or not the tournament will involve 20 or 16 teams. RWCL ("IRB") and RNZ 2011 are both looking at this issue at present. We will be making submissions to RWCL shortly and are hopeful that a final decision will be able to be made by no later than September or October this year.

We are also working with RWCL and others on issues relating to the exact timing of the tournament. At this stage we know that it will take place during a 7 week window in September/October 2011. We are currently working with others on issues such as the timing of school holidays and daylight saving. We would anticipate that a final decision regarding tournament dates will be made towards the end of this year.

## **Eden Park**

Considerable progress has been made on this issue during the last few weeks. Since an initial design for the redevelopment of the venue was announced some weeks ago, the parties have been working on improvements to this. Last week the parties signed off on a new design which involves a permanent south stand together with temporary seating on the eastern and western ends of the ground. The general feeling is that this represents a considerable improvement on what was announced some weeks ago. Attached is an image of what Eden Park will look like under this new design. The parties involved in this issue are now concentrating on Eden Park governance and redevelopment funding issues, as well as working through the resource consent issues.

## **Game and team allocation**

I am sure that this is going to be an interesting issue which will excite many around New Zealand as it moves towards the stage where the tournament format is finalised and the specific games are allocated to specific venues and communities.

A considerable amount of work has been done so far within RNZ 2011 to prepare for the development of the policy and the practical application of the policy.

The first external step in this process will take place at the end of May when we will run 3 workshops around New Zealand (Auckland, Christchurch and Wellington) and will engage relevant stakeholders, seeking their assistance and buy-in to the development of a game and team allocation policy. We will assist individual communities to start focusing on what they need to do if they wish to bid for the hosting of games and/or teams.

This is a complex process. I do not expect that we will be in a position, until the first half of 2008, to finalise and announce the end result of this process.

## **Major Events Management Legislation**

RNZ 2011 owes an obligation to RWCL to ensure that legislation is put in place which will protect RWCL's commercial partners for this tournament.

For some time now Government has been working with its agencies and with RNZ 2011 to advance such draft legislation. This is now working its way through the Select Committee stage. The current signs are extremely encouraging and we are hopeful that suitable legislation will be passed in July 2007.

## **Final comment**

In the short time that I have been involved I have noticed a very strong determination on the part of all key stakeholders to work with each other to ensure that we are in a position, in 2011, to deliver a fantastic world class event which both world rugby and all New Zealanders can be proud of.

I look forward to spending the rest of 2007 meeting and getting to know the wide variety of stakeholders that we will be working with over the next 4½ years and starting to build the types of relationships that we need to have in place in order to ensure that we are able to deliver on our promises.

Kind regards

A handwritten signature in blue ink, appearing to read 'Martin Snedden', with a stylized, cursive script.

**Martin Snedden**  
**RNZ 2011**  
**CEO**

