

Presidents Update - July 2014

This summer has been extremely busy for me with events in the US and Canada. Early in July I competed in the Ontario Regional Black Bear Rally with Will Hudson in his Team O'Neil supported R2 Fiesta, then the following weekend I was in New Hampshire and Maine doing the NEFR in another R2 Fiesta. Conducting CARS board meetings from my hotel room and writing minutes on my Ipad makes for a tough slog, so hopefully you can excuse me for being a little late with my quarterly update.

Technical Director

In June the long time Technical Director, Darryl Malone stepped down. Thank you Darryl for all of your hard work and dedication to CARS and our sport. Darryl was instrumental in driving a high degree of scrutineering consistency across the country and as the Technical Rules Committee chairman was very active with all of the class structure changes and associated rules that were implemented a year or so ago. We look forward to a continuing relationship with Darryl, as I understand he will be keeping his hand in, with the Ontario Regional events.

Earlier in the year we had gone out to the rally community for interest in taking over the Technical Director role, at that time Warren Haywood was a top choice. Warren has since been on the Technical Rules Committee and the board have asked him to take over the Technical Director role from Darryl. Effective immediately Warren is the man. He can be contacted on technical@carsrally.ca the same email that Darryl had.

Administrative Rules

The Admin Rules Committee has been working through some of the GCR's and updating. Section 14 Types of Route Presentation is currently being reworked to make it consistent with current practices. It will clearly reference two-pass recce and eliminate the restrictions on marking up notes or using past notes. Once the board approves the draft it will be sent out for rally community input prior to us issuing a final rule change.

Sanctioned event communication and documentation policy

As the Rally Sport sanctioning body we have rule sets and safety guidelines for the various types of events run in Canada.. The basic rules for performance events, which include Stage Rally, Rally Cross and Rally Sprint are contained in the CARS rules book, while navigational events are governed by regional rules. CARS through ASN Canada FIA is able to provide insurance for Rally Sport events at a very

reasonable cost, and with virtually no interference from the underwriters, this is because as the sanctioning body we are saying that our clubs are organizing and running their events as per the rule sets. To keep this coverage, and the ability to make our own rules, it is vital that our clubs follow the rules we set-out for events.

With some of the recent, very serious rally related incidents around the world the CARS board reviewed how well the Regional Directors are in the loop, aware and satisfied that our affiliated clubs are following the rules and utilizing the safety guidelines while conducting events. In most cases we have top-notch compliance. Organizers are completing safety plans, following the rules, obtaining permits and communicating their plans.

We do however feel that it is important, that as the sanctioning body we formalize the communication and documentation that passes between the organizers of rally sport events and the CARS Regional Directors so that we can be aware and assured that all events are conducted in accordance with the rules and guidelines.

As such we are in the process of developing a minimum documentation and communication policy that will require the CARS Regional Director be aware of and assured that events are being conducted in accordance with the sanctioning body rules. This policy will not add any work to event organizers that are currently running their events in accordance with the CARS requirements. But should close any gaps that we currently have.

The policy is currently under review with the board and will be sent out for rally community input prior to finalization.

Speed Factors

We now have a speed factor tool that has been approved by the CARS board for use with the national series and will be used to assign speed factors to CRC drivers. (It is the same tool as used by Rally America) The database has been loaded with timing data from 2012 Tall Pines through to the most recent Rallye BDC. The speed factor assigned to an individual is the average of the best three event speed factors from the previous 24 months. A driver will need three events in the past 24 months to have a validated speed factor.

Because the speed factor tool calculates speed factor based upon the fastest, slowest and mean speeds the speed factors generated only apply to the specific series. Therefore you couldn't generate speed factors from a regional championship and integrate them with the national championship speed factors, assuming that the national championship has faster drivers. It might be possible however for a regional championship to generate regional speed factors and by adjusting certain variables within the tool calibrate it to benchmarked national championship drivers.

Although we will continue to use the earned seed number the speed factor will give organizers the additional information to better slot drivers from both Canada and the US

We are currently finalizing a bulletin that will be issued shortly, at that time the speed factor table will also be published.

2014 Goals Status

RULES

1. Technical Rules Committee (TRC) will meet on a routine basis to research, review and propose technical rule changes including;
 - i. Issue rules to clarify model range definition (*complete bulletin issued*)
 - ii. Address request for use of studded tires in national events (*the TRC are reviewing this*)
 - iii. Implement noise limits to rally cars on transit (*complete, bulletin issued*)
 - iv. Revise minimum weights of P4WD cars (*complete, bulletin issued*)
 - v. Clarify concept of generation within a model as it relates to updating/backdating (*complete, bulletin issued*)
 - vi. Clarify restrictor use in O2WD (*complete, bulletin issued*)
 - vii. Clarify air filter housing requirements for production class (*complete, bulletin issued*)
2. Administrative Rules Committee (ARC) will meet on a routine basis to research, review and propose administrative rule changes including;
 - i. Updated Rally Cross & Rally Sprint rules (*work is in progress. Ross Wood is working with key Rally Cross organizers from the various regions and expects to have an updated set of rules ready for Rally Community input later this summer*)
 - ii. Implementation of Re-Start rules (*complete, rules bulletin issued, restart rules have been utilized a few times. They have required some procedures being implemented by organizers but the general response from organizers and competitors has been very positive*)
 - iii. Review Single event regional license rules (*no progress*)

- iv. Implement a speed factor tool to complement the seeding system *(Currently drafting an announcement and will issue the speed factor database with CRC speed factors utilizing data since 2012 Tall Pines through to 2014 BDC)*
- v. Produce a safety plan template for use by Rally X and rally Sprint event organizers *(Have a safety plan template for National stage rallies, the ARC are working on stripped down templates for the other rally sport events and expect to have them available for organizers to use later this year)*
- vi. Establish a minimum age for workers in the Hot Zone and for shakedown and media rides *(In progress)*
- vii. Review requirement for foreign competitor local club membership to score championship points *(In Progress)*

LEGAL

1. Ensure compliance with Federal Not-For-Profit Corporation legislation through registration of articles of continuance and by-laws that comply with the legislation. *(done deal, we have received the federal government documentation saying that CARS is a properly registered not for Profit Corporation in compliance with the NFP Corp Act)*

SAFETY

1. Conduct a complete review of the Safety Guidelines. Identify required safety practices and recommended safety guidelines. *(In Progress with Ross Wood leading a small team)*
2. Organize training and/or training materials for both Stewards and Organizers, implement a national checklist. *(Started review of Stewards handbook)*
3. Determine if the use of Speed Factor in conjunction with the current seeding system is to be implemented. Compare the RA speed factor system with the system developed by Peter Watt/Martin Headland. *(Board voted to adopt the RA speed factor tool. Database loaded with data and ready for issue)*
4. Continue testing of RallySafe and other vehicle tracking systems and make implementation proposal. *(Big White Rally in 2014 is looking at using Rally Safe. With continuing examples of situations on stage the*

board are continuing to look at adopting Rally Safe as a car to car and car to organizer communication tool)

5. Better define the “Hot Zone” *(in progress)*

COMMUNICATION

1. Continue development and improvements to CARS website. *(Currently have Dean Campbell engaged improving the content. The actual website development is dependent upon funding)*
2. Issue quarterly communications from the President. *(Happening)*
3. Have online videos of each CRC event. *(Short highlights video of BDC was up on the social websites very quickly after BDC.)*
4. Implement real time scoring, standings, speed factor rankings, etc.
5. Active use of social media for updates at all events. *(Formula Photographic making good progress on readying this season’s TV shows and online videos. We should start to see the online video releases within the next month or so and a video every two weeks thereafter until the end of the season)*

MARKETING & SPONSORSHIP

1. Develop a promotional package that outlines the value proposition for current and potential sponsors and supporters of the Canadian Rally Championship, the Event Organizers and our Competitors. Show the value of supporting one, two or all levels of the sport and synergies achieved through combined multi level sponsorship. *(Initial package was developed and issued at the time of the AGM. This material will be updated from time to time and made available to competitors that want to use it as part of their own promotion)*
2. Maximize the value of the Canadian Rally Championship by increasing its exposure and fan following by partnering with the best media production companies. *(Working hard to drive exposure and viewership up, major component of Formula Photographic role)*
3. Increase the number and level of corporate sponsorship to allow for improved promotion and value of the Canadian Rally Championship. *(Have secured Subaru and Yokohama for 2014, Have been struggling to secure more sponsorship although continue to work with potential sponsors)*

4. Have online sponsor videos ready for posting within two weeks of the event.
5. Provide measurable and valuable exposure for sponsors, competitors and organizers through a combination of broadcast TV and an increasing online presence. *(FP will provide exposure data)*

GROWTH

1. Generate income in excess of that needed to fund the promotional and broadcast material, allowing for selective growth and improvement related spending. *(2014 not looking very good in this department. We are currently belt tightening in an effort to meet the budget. The 2014 AGM in Jan 2015 will be moved to Toronto and downsized to reduce cost)*
2. Attract more Quebec regional teams into the national series by working closely with CRQ; look at how Quebec national events can host a regional component.
3. Achieve a more evenly distributed Canadian Rally Championship event calendar ... too many events in October/November, too few in first half of the year. Work to have one event in the March thru June time window. *(It is difficult for organizers to move events, mostly because of road closure restrictions, but I do appreciate the hard work organizers do in this regard. Organizers of the western events are meeting in a week or so to discuss schedule)*
4. Encourage new competitors to rally;
 - i. Increase overall entry levels through better promotion of the sport
5. Mailing to all license and permit holders with final standings summary, TV schedule, schedule for next year and a reminder to renew license.
6. Increase promotional assistance from CARS to CRC events;
 - i. Offer some TV promotion of the host community *(In Progress)*
 - ii. Providing option for organizer to sell/give a TV advertising spot to their host community *(In Progress)*
 - iii. Providing on-stage advertising space to ensure online and TV exposure. *(In Progress)*

FINANCES

1. Achieve a balanced budget by 2015 *(With some sponsorship reductions late in the game the board are working hard to balance the budget, this is requiring some cuts and cost reduction efforts)*
2. Significantly reduce the deficit budget in 2014 *(Still a slight deficit but much reduced in 2014)*
3. Develop and implement a capital planning process *(in place. Will not be spending any capital in 2014 as part of the cost cutting)*
4. Provide quarterly financial reports to the CARS board *(The Treasurer tracks spending monthly and issues quarterly financial updates to the board)*

MISC

1. Initiate project to digitize the CARS history files in Georgetown storage facility. *(Plans are to start digitizing this summer, files have been moved to the CARS office and Debbie is starting this effort)*
2. Eliminate Georgetown storage facility *(Done)*