

FEI structure 2006 – 2010

FEI Strategic plan

Final report working group A

Düsseldorf, 3 March 2005

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Introduction

On the occasion of it's meeting in spring 2004, the FEI Executive Board agreed to the principles of the elaborated Strategic Plan 2006 – 2010. Six working groups have been installed in June 2004. Working group A has been assigned to evaluate the structure of the FEI. Our main task was to formulate answers to the questions: "What should the FEI be performing in 2010? What should it provide for its constituents? How should the FEI be organised to fulfil it's tasks?"

For our report we have been using information on the present FEI organisation and a benchmark with several, currently successful international sports organisations. The report of Design Bridge from 2004 has been the basis for formulating the current perception of the FEI by it's stakeholders (the NF's) and the main FEI associates.

We all find that the FEI has to be the world wide authority in equestrian sports and capable of leading our sport to the top 10 of sports in the world. Based upon the perceptions and benchmark we believe that it is crucial for a future successful FEI to restructure the FEI organisation. To be able to realise the FEI ambitions there is a urgent need for a sports and marketing driven, professional FEI organisation. A businesslike FEI organisation controlled by its stakeholders. The report of our working group has been prepared as a basis for the process that must lead to this new FEI organisation.

I would like to thank the working group members for the open and intense discussions and every one who has been providing input for this report. We all have been participating with the objective to have at the latest by 2010 a FEI organisation that can lead equestrian to a successful future.

George de Jong Chairman Working group A

Members working group A

Ken Lalo (ISR) John Long (USA) Frank Schreve (NED)
Kevin Hansen (NZL) Dominique Faye (FRA) Andrew Finding (GBR)

George de Jong (NED) Chairman

Patricia Bakker (NED) Minutes

Present during the first and/or second working group meeting

FEI: Bo Helander, Michael Stone and Hanfried Haring

Justine Kidd (NZL)
Chris Hodson (NZL)
David O'Conner (USA)

Working procedure

Information

- General information on the FEI in 2004
- Benchmark with successful international sports organisations
- Report on UEFA by Thue & Salvaag AB 2001
- Report of Design Bridge 2004

Meetings working group

- November 13 14, 2004, Amsterdam
- January 29 30, 2005, Amsterdam
- Communication by email

Meeting with the FEI Staff

• February 23, 2005, Lausanne

Presentation to the FEI Strategic Planning Committee

• March 3, 2005, Düsseldorf

The FEI in 2004



Perceptions

FEI's main strengths...

- International federation
- Monopoly
- Recognized by the Olympic committee
- Position as international governing body
- History
- Enthusiastic and knowledgeable staff
- The horse and its heritage

Equestrian not recognized as a world sport

- Concentration of the sport in Europe (FEI is still very European)
- Not part of the top media and/or commercial sports
 - No strong sports products
- Equestrian world wide to compete with 70 other sports organisations for top 10 of sports

Organisers perception of the

- Not capable to ensure peak exposure
- Slow and not professional
- Has to improve co-ordination and co-operation
- Not promoting equestrian as a high performance sport

Organisers

- Should be better organised
- Should communicate better and work closer together with FEI
- Want to receive more in return (for the fees that are paid)
- Some intent to start international series outside FEI

International athletes perception of the FEI

- Not capable to create top commercial series
- Slow and not professional

International athletes

- Should be better organised
- Top athletes avoid a real intense competition
 - combination versus rider "stable" ranking
 - qualification in World Cup events
- Want to reduce payments to FEI

National Federations

- NF's weak and not professional
- Often not the equestrian authority in their country
- Should participate better in FEI decision-making process
- Expect more and better services of the FEI

FEI shows permanent fear of being thrown out of the Olympics

FEI organisation 2004 Conclusive

- 1. Task, targets and responsibilities are vague
- 2. Lacks transparency
- 3. Fails to recognise and/or manage conflict of interest
- 4. Need to be more pro-active
- 5. Key principles must be better defined and carried by total organisation
- 6. Bureaucratic, emotional and not professional

FEI organisation 2004 Conclusive

- 5. The concept 'horse' is not sufficiently present
- 6. More focus needed on promotion of equestrian sports
- 7. Better separation of sports and ethics from commercial aspects
- 8. 75% athletes female, women not enough represented in FEI bodies

FEI

2006 - 2010

FEI 2006 - 2010

Mission statement Goals and objectives

FEI mission statement 2006 - 2010

FEI is unique in the world of sport because of the combination of...

- 1. The horse
- 2. Men/women compete equally
- 3. Relationship between human and horse
- 4. Elegance, speed, and power of the sport
- 5. Incomparable to other sports

FEI mission statement should be:

Short, to the point, to mention leading and show aspiration

FEI mission statement 2006 - 2010

"We will lead horse sports to excellence and popularity throughout the world, respecting fair play and the welfare of the horse."

- 1. FEI the world wide authority in equestrian sports
- 2. FEI open to all equestrian disciplines
 - Disciplines need to fulfil FEI criteria
 - Clear priorities within FEI and each discipline
- 3. To have active and effective NF's
- 4. Constructive relationships and agreements with associates

5. Olympic Games

- Top competitions to be guaranteed (the best)
- Each Continent represented
- More countries in special regional Olympic qualification events
- 3 Olympic equestrian disciplines maintained
- Action plan for a fourth Olympic discipline

6. Continental Championships

- More continental or regional championships in each discipline
- More countries participating (qualifiers)

7. World Championships

- Top competition guaranteed (the best)
- More countries in each discipline (qualifiers)

10.National Championships

 More national championships on the different continents (Africa and Asia)

8. Amongst the first top 10 of sports

To be defined, with parameters for each discipline

9. Strong commercial FEI products

- Increased TV and media attention for our sport
- Increased and new income sources

10.Increasing participation in international horse sport

 Increasing participation in equestrian by young people in existing, new and developing NF's

11.Increased number of countries participating in FEI events

12. Veterinary medication and anti-doping policy

 Effective policy and procedures against performance enhancing horse doping and the misuse of medication

13. Human doping policy

Implemented FEI human anti-doping policy world wide in line with WADA

14. Welfare of the horse

The FEI welfare policy implemented world wide

Need for: Clear and measurable goals and objectives

FEI 2006 - 2010

Relations

FEI Stakeholders

➤ National Federations

FEI associates

- >Athletes
- **≻**Organisers
- **≻**Owners
- **≻**Trainers
- **➢**Officials
- >Breeders
- **≻**Sponsors
- **≻**Media
- **≻IOC**
- >Etc

National Federations

- Recognise only one NF in each country
- Good communication and involvement in FFI
- Support NF's being the equestrian authority at national level

Developing nations

- Solidarity is an important cornerstone
- Money that FEI generates from top products partly invested in developing nations

Organisers

- Good co-operation with well organised international organisers associations
- Organisers to work close together with their NF and FEI
- Profit from commercially attractive and strong FEI products
 Income increased substantially
- No international events and series organised outside the FEI

Top athletes

- Good cooperation with well organised international riders associations
- Good services from their NF and FEI
- Profit from commercially attractive and strong FEI products
 - ➤ Income increased substantially

Other FEI relations

- Contractual agreements
- Good communication

FEI 2006 - 2010

Tasks

FEI tasks 2006 - 2010

FEI the equestrian authority

- Leadership in the continuous development of our sport
- Guiding the evolution of horse sports
- Being the authority and voice of our sport
- Responsible for all international aspects of equestrian
- Key task: representing equestrian at a world and continental level

FEI tasks 2006 - 2010

Marketing

- Developing and promoting equestrian to a top 10 sport
- Being pro-active in the PR of our sport
- Generating marketing information on equestrian
- Generate information on consumers/fans perception of our sport
- Measuring the increase of events and athletes

FEI tasks 2006 - 2010

Universality must be a key element

- Improving effective world and regional representation
- Globalisation: having clear goals and objectives in each region

The FEI groups

Defining and implementing clear regional objectives

FEI tasks 2006 - 2010

NF's

- Assisting NF's to become active and effective
- Setting a standard
- Supporting NF's that provide an approved structure and way of operating

Associates

- Developing good relationship with associates
- Recognizing strong organisations and gaining strength from them

FEI tasks 2006 - 2010

Disciplines

- Leading all disciplines to develop to the highest level
- Consistent, transparent, fair and stable regulations
- Making a clear distinction between high performance sport and development
- Developing and implementing strong commercial series to promote and generate money
- Organising fair championships at world, continental and regional level

FEI tasks 2006 - 2010

Sport evolution and control

- Developing and controlling sports rules and regulations
- Developing veterinary policies and controls
- Day to day administration of the sport
- Effective management of the FEI sporting calendar to promote balance to competitions and commercial development
 - Important instrument for sport policy and promotion
 - Balance between the development of FEI series and individual events

FEI tasks should be prioritised and appropriate tools must be given

FEI 2006 - 2010

Services

FEI services 2006 - 2010

1. Provide information

On sport, rules, veterinary matters and sports ethics

2. A leading role in development of IT

- A FEI database on international equestrian
- Schedules, passports, result management, etc.
- Effective registration of riders, horses and owners

FEI services 2006 - 2010

3. Provide services to NF's, enabling them

- To give better service to their members
- To get more members (and more means)
- To organise national and international events
- To make a tailor made long term plan for their development (step by step)

FEI services 2006 - 2010

4. Education

- Training of officials and riders
- International educational coaching system
- Professional development of NF's
- 5. Availability of reliable marketing information on equestrian
- 6. Press and media services

FEI 2006 - 2010

Ways of communicating

FEI ways of communicating 2006 - 2010

1. Stakeholders and Associates

Input in the decision making processes

2.IT development

- Direct communication with NF's, organisers and athletes
 - > E-mail
 - > FEI internet and intranet
 - Result information from events on line to NF's and FEI

3. General information

Pro active and interactive communication and PR

FEI 2006 - 2010

Income Sources

FEI 2004 income sources

Current income

- 1. We earn income from ourselves
- 2. External revenues are not significant
- 3. NF's don't generate enough themselves
- 4. Better service would be possible with more money

FEI income sources 2006 - 2010

- 1. The FEI not to expect income growth through the athletes, organisers and IOC
 - already gone to a maximum
- 2. Long term growth must come from outside

FEI income sources 2006 - 2010

3. Extra income to be generated from

- Commercial/TV rights
- Sponsorships
- Products used in the sport and approved by the FEI
- Other groups that benefit from us, but do not contribute
- Improved IT

FEI income sources 2006 - 2010

- 4. Give the commercial department room to operate
 - Finding new ways to generate money
 - Developing a clear inventory of the rights
 - Developing a strategy to commercialise them
- 6. Business plan needed before implementing new products
- 7. Guarantee extra income before claiming rights from NF's, organisers or athletes

FEI 2006 - 2010

Organisational structure

FEI structure 2006 - 2010 Preamble

- 1. FEI to compete for the top 10 of sports
 - Successful international sports organisations are performing like a business
- 2. Sports world and IOC are more businesslike with effective judicial and commercial arrangements
- 3. FEI associates are organised as businesses or they are businesses

FEI structure 2006 - 2010 Preamble

- 3. Professionals develop and run the most successful international sports products
 - Organising sports is a profession
 - Sponsoring, and the selling of sports and TV rights done by professional experts
- 4. Decisions in the modern sports business must be made in short time frames

FEI structure 2006 - 2010

To realise FEI ambitions 2006 - 2010

Need for a sports and marketing driven, more professional FEI organisation

Goal of the project FEI structure 2006 - 2010

 A professional, businesslike FEI organisation (including all FEI entities) controlled by it's stakeholders

Objectives

- Transparent and objective
- Well defined accountability and control
- Well defined tasks and objectives
- Clear decision making
 - **≻**Speedy
 - ➤ Based on rational, rather than emotion
- Improved communications
- Sports and marketing driven

FEI to be run like a modern professional organisation

- The FEI to become professional, not voluntary driven
- Management is accountable through the CEO to a Council

Voluntary council

- Decides on strategy and responsible for control
- Non-paid full time president

Professional management

- Can stay on permanent or be replaced, subject to performance
- Responsibility for the achievement of goals and objectives lies with the professional management

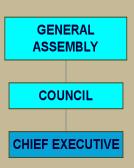
Stakeholders

- National Federations
- Have voting power

Associates

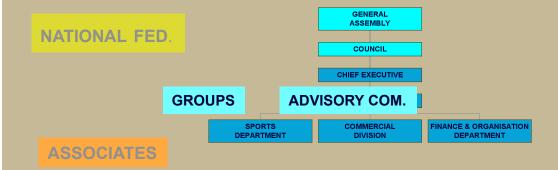
- Have their own umbrella organisation
- Good contracts and working agreements with FEI
- Outside the FEI democratic organisational structure
 - Not in assembly or council
- Associates may have representatives in the FEI committees and the council advisory committee

NATIONAL FEDERATIONS

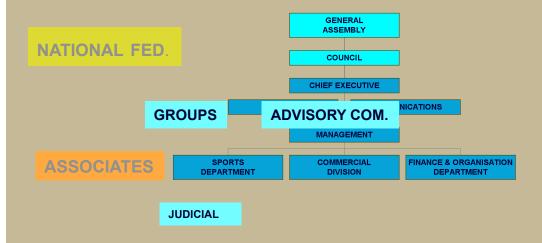


ADVISORY COMMITTEE

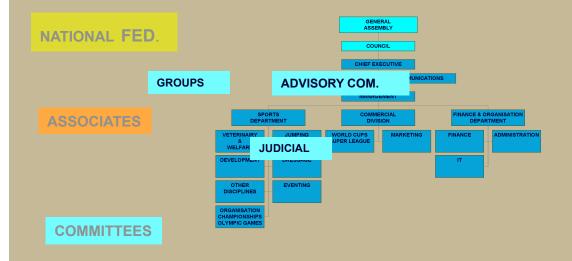
ASSOCIATES



COMMITTEES



COMMITTEES



FEI management 2006 - 2010

Chief executive officer (CEO)

- Secretary General to become CEO
- CEO hired and controlled by the FEI Council
- Need for measurable goals and objectives

Task

- Leads the organisation
- Preparations for decisions, make proposals, analysis
- Prepare long term and annual plan and budget
- Implementation of annual working plan and council decisions within the budget

The council has to approve and monitor.

FEI management 2006 - 2010

Directors

- Commercial, Sports and Financial Director on same level
- Need to have clear roles and responsibilities
- Good interaction between them
- Directors of each department have to report on plans
- Managers report to their director

Commercial Department (CD)

- Director CD member of management
- Needs to report to CEO
- Own budget, targets and responsibility
- Must be a profit centre

FEI General Assembly 2006 - 2010

The General Assembly

1. In the spirit of true democracy

- Each National Federation has one vote
- regardless of its size of 'foot balling' strength

2. Professional organisation reports on

Annual accounts, budget (fees), planning

3. Council only reports on it's own tasks

Council approves budget and annual plan, then reports to the assembly

FEI General Assembly 2006 - 2010

The General Assembly

4. Location

- Assembly should go around the world
- Relative closeness of assembly means a lot to the small NF's

6. Assembly every year

- Yearly legal requirements could be dealt with by proxy
- Not doing household things
- We ought to offer an annual platform to our federations
- Develop alternative links with added benefit

The Council

- The FEI supervisory and monitoring body
- The council to have it's own advisory committee
- Reports and is responsible to the General Assembly

Council members

- A president and six vice-presidents
- Appointed by the council advisory committee
- Approved by the assembly
- Maximum of two terms of four years
- Vice-presidents have special field of interest
- Global representation
- People must be selected in the expertise of their field of task
- Predominantly filled with equestrian people from different disciplines
- President dual role (might be two persons)
 - Chairman of the council
 - Representation

Required expertise of Council members

- Finance and accounting
- Marketing
- Communications
- Recent high performance equestrian athlete
- Global development
- Welfare and science
- Legal
- Experience in working in a supervisory board

Task of the council

- Supervising of the whole structure
- Approving the budget and annual plans
- Evaluating reports
- Measuring performance
- Determining broader policies and strategy targets
- Appointing CEO
- Approves the hiring of the Commercial, Sports and Financial Directors

Council advisory committee

- Members, the group chairmen representing NF's
- A rider, organiser and owner (associates)
- This body meets twice or once a year
- Group chairmen will be needed who can deal with this task

Task

- Advise the council
- Right to put points on the agenda of the council
- Liaison in communications

Group structures to be looked at

Council nominating committee

- To steer nomination of the council members
- Four persons
 - ➤ Members of council advisory committee
 - > President can participate in deliberations

Conflict of interest policy

- For both the Council and for the professional staff
- Each member of the Council and staff lists annually, potential conflicts that may arise over the course of normal business activities
- In situations where a vote might be taken, an individual would be required to abstain himself from the vote

Committees

- The effectiveness of committees must be evaluated
- Role:
 - Advisory to the management
 - Rules prepared and presented to the assembly by the management
 - Not to carry decision making power

Task

- To advise the management
 - will need to convince the management that their proposals are sound
- Maintain objectivity and avoid conflicts of interest
- Advise on appointment and evaluation of officials

Appeal

- Management will need to be able to satisfy the committees that they have given their recommendations very careful consideration before action is taken
- If an advisory committee is not sufficiently heard, appeal to the next higher level in management should be possible

Members of committees

- Committees to include specialists and associates
- Candidates should be backed up/supported by their NF
- To balance power in potential conflicts, strong people are needed
- The advisors must have enough weight/expertise to be able to advise the professional management
- Members need to have full mandate from their organisation
- Composition and size of the technical committees to be reviewed

FEI committees 2006 - 2010

Chairman

Elected by the committee members

Nomination

- Proposals from NF's and associates
- The council to appoint, advised by the management

Term

- Four years
- To be replaced after four years

No need for a finance committee in a professional FEI

FEI 2006 - 2010

Judicial process

FEI 2004 Judicial process

Current roles of Judicial Committee

Decide 75+ Medication Control cases per year

Judicial

- Decide a limited number of cases involving human athletes.
- Decide behaviour and other disciplinary matters and complaints against organs of the FEI.
- Provided limited advice on interpretation of rules.

Advisory

- Revise Statutes and General Regulations.
- A very limited general legal advisory role.

FEI 2004 Judicial process

Current two distinct legal roles

- Decision making disciplinary body.
- General rule making and advisory
- In practice, the Judicial Committee to date is primarily a disciplinary body and has a very limited advisory role

Expected assumptions going forward......

- More horse medication cases and human medication cases
- More disciplinary cases
- Issues relating to decisions by various FEI organs
- General litigious environment
- More appeals

The judicial process must be

- > Professional
- > Fair
- **≻Quick**
- **≻**Transparent
- **≻Independent**
- **≻Stable**

Possibilities Going Forward

One judicial body (disciplinary)

AND

Professional legal department capable of finding right advice

In order to improve we need

- in the short term
- 1. Strong IT support
- 2. Processes and forms
- 3. Administrative handling of minor matters
- 4. FEI to take a more active prosecutor role with the assistance of legal advisor
- 5. FEI legal department to be strengthened in years to come and outside law firms to be used whenever required
- 6. Ability to decide cases with fewer members

In order to improve we need - over the longer term

1. Judicial Body

- To be named "Disciplinary Committee", Judicial Panel" or another appropriate name
- Acting as the sole internal disciplinary body of the FEI
- Including resolution of legal disputes between FEI organs.

In order to improve...(cont.)

2. Legal department

- Responsible for the drafting of the formation documents of the FEI (Statutes etc.)
- Responsible for the drafting and reviewing of contracts,
- Representing the FEI before the FEI Judicial Body, the CAS and other courts, retaining outside counsel when required and formal rule interpretation.

In order to improve ...(cont.)

- 3. Over the period 2006 2010 and if the assumption regarding an increase in the number of contested cases materialize, the Judicial Body shall have 7 or 9 members (from a geographical mix of countries).
- 5. Any three members may act as a disciplinary body thus ensuring speed of decision at a lower cost.

In order to improve ...(cont.)

- 5. Separation between the Legal Department and Judicial Body must be maintained in order to ensure "due process" rights. This includes the selection of the Judicial Body members deciding each specific case which should be based on availability and cost effectiveness and not influenced by the parties to the dispute.
- 7. The number of combined meetings in which all members are present shall be reduced to one. This combined annual meeting shall ensure professionalism and consistency of decisions taken by Committee members

FEI 2006 - 2010

Calendar

PRIORITIES FOR CALENDAR

- World Championships 4 years prior for Olympic Disciplines
- World Championships other disciplines 3 years prior
- Senior Continental Championships 3 years prior
- CIO's and Major Events 2 year prior
- All other events 1 year prior
- 1st October cut off date

Protection - Clashes

- FEI Top properties defined and must be protected
- Protection by:
 - > the Calendar
 - within qualification rules
 - >FEI ranking points
- Other events should have a free market
- Jumping only real problem

FEI Top Properties

- FEI Championships
- FEI Super League
- FEI World Cup

FEI Championships

- These do not need protection as strong enough
- However fixed windows should be established to ensure a balanced calendar

FEI Super League

- Limited protection from 5 star events and International Series
- Strengthen events by more prize money and FEI ranking points

FEI World Cup Jumping

- Limited Protection from 5 star events and International Series
- Reduce number of events to 8/9
- Use rules through minimum number of events to qualify and FEI ranking points

Calendar entry

- > High level Events
 - 2 YEARS IN ADVANCE FOR CSIOS, CDIOS, WCUP ETC.
 - 2 YEARS IN ADVANCE FOR CSI 4 AND 5 STAR, CDI 3 STAR, CCI 3 AND 4 STAR.
- > Lower level Events
 - 1 YEAR FOR ALL OTHERS.

Changes

High level Events

 Changes up to one year with approval After 1st November year before no changes, no exceptions.

Lower level Events

 Changes and clashes permitted to 6 months before event. No changes 3 months before.

Exceptions

- No exceptions for higher level events
- Regions such as Australia, South Africa etc lower level events can change for no fee up to 6 months before.

Conclusions

- Requirement for more control of calendar
- Fixed periods for championships
- FEI to protect its top products
 - >FEI to clearly define its top products
 - ➤ No events of the same level as the FEI top product allowed in same weekend
- Flexibility at lower levels, free market

FEI 2006 2010

Implementation

FEI 2006 - 2010 Implementation

Cost

 The aim is to increase organisational cost less then 10% of the total budget

Income increase

FEI 2006 - 2010 Implementation

2005

- Executive committee to approve and support the report FEI STRUCTURE 2006 - 2010
 - The major aspects of the organisational changes
- Assembly to agree to the major aspects of the organisational changes
- Executive committee to install a steering group FEI STRUCTURE 2006 - 2010
 - Prepare the implementation master plan and budget
 - Guide and control the implementation

FEI 2006 - 2010 Implementation

2006

- FEI President to oversee the implementation
- Assembly to approve the implementation plan and budget
- Start implementation of the organisation

2007

Assembly to approve necessary modifications to the statutes and regulations

2008

New structure in place