



# MOTORSPORT SOUTH AFRICA NPC

Reg. No 1995/005605/08

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## PERIOD 31 AUGUST 2017 TO 1 JUNE 2018

### MSA CHAIRMAN'S REPORT

1. This report relates to my term of office from 31 August 2017 to 1 June 2018. I stepped down as director and chairman of the organization on the latter date. It would be remiss of me not to inform the motorsport fraternity of the reason for my early departure. In no way do I sit in judgment of anyone or any organization / organizer / promotor / track owner, but I was simply unable to justify the continued sacrifice of my professional time to the same issues which, in my humble view, should not have arisen, but appear to be perpetuated as time goes by. This I attribute to the ongoing pettiness which the sport can ill-afford going forward.
2. The board adopted the view that Wayne Riddell's performance, insofar as his inability to work with the organization's customers and his lack of people skills are concerned, affected MSA and that he no longer enjoyed the board's support. This led an amicable parting of ways. I deem it unnecessary to delve into the various issues surrounding the events leading to Wayne's resignation but will focus on my view how the way forward should be paved. I must at the outset emphasize that I have made it

*MOTORSPORT SOUTH AFRICA IS THE ONLY RECOGNISED MOTORSPORT FEDERATION IN SOUTH AFRICA*



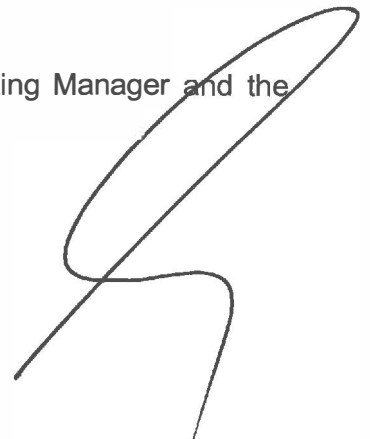
SPORT & RECREATION  
MINISTER  
MOTORSPORT FEDERATION SOUTH AFRICA  
REPUBLIC OF SOUTH AFRICA



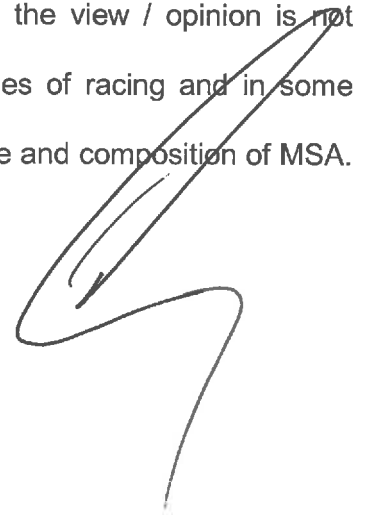
Directors: Adv. G. T. Avvakoumides (former Chairman), A. Scholtz (Chief Executive Officer), A. Taylor (Financial), M. Spurr, A. Harri, D. Easom  
G. Hall, M. Rowe, R. Shilling

abundantly clear to the board that my resignation in no way means that I have turned my back on MSA. I remain loyal to the organization and have offered to assist in making certain positive changes to the current structure and MOI, time permitting, and in due course.

3. In suggesting a revamp of the organization, as I do hereunder, I must borrow from the following quote: ***“There is nothing more difficult to take in hand, more perilous to conduct, or more uncertain in its success, than to take the lead in the introduction of a new order”***. Niccolò Machiavelli, **The Prince 1532**. In my view, the quote illustrates, *(by way of analogy – the quote was used when electronic mail was first introduced and feared by many)* that if the motorsport fraternity and the organization are serious about change and resolve to adopt a new structure, for the benefit of all, then proposed changes to the current structure should not be viewed with circumspection.
  
4. The current structure of the board is out dated. It may have served a purpose once but it no longer serves the interests of the sport. I say so because the organization is comprised of the following:
  - a. The CEO, who is the only executive director. This means that the CEO runs the company and is paid for his/her services.
  - b. The board, all of whom are non-executive directors and sit in an advisory capacity and are not paid.
  - c. Management, which is essentially, the CEO, the Sporting Manager and the Operations Manager, serve against payment.

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- d. The staff, who are obviously paid.
5. The question of the composition of the board is an ongoing issue. Who is qualified to be appointed; what purpose do they serve; and what benefit does MSA derive from the board members? These are questions which have been debated over and over. If it is anticipated that the board, which may be hampered by possible vested interests, may continue on the existing basis, then such board may be of little value. To a large extent the board is centered on circuit racing and the remaining disciplines of the sport remain neglected.
6. My observation over a period of almost four years is that the executive and management (comprising Mancom) would make decisions, conclude agreements with promoters and sponsors, and award the rights to various stakeholders to run series of various disciplines. During my first year of office the management committee did just that but this did not find favour with the some members of the board who felt that the board should be consulted first, before any such agreements are concluded, or such decisions made. The latter idea was anchored on the view that only the board can approve of such decisions. The counter argument is of course what the function does the executive then have if it is to first consult the board.
7. The MOI gives some guidance on, and defines the roles of the Executive, Mancom and the Board but it is divorced from reality. The board has some ten members who all have an opinion on some or other matter and often, the view / opinion is not correct resulting in lengthy debate about promoters, series of racing and in some cases, mistakes have crept in because of the very structure and composition of MSA.

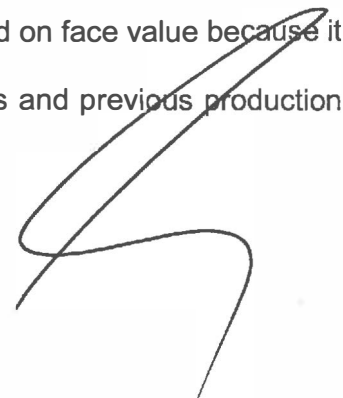


The motor cycle circuit racing national championship is one example. There are too many vested interests that preclude the proper consideration of the business of MSA and the debate on the merits, or demerits, of decisions are all too often affected by side issues and unknown factors which are not tabled in advance for everyone's consideration.

8. I am firmly of the view that a new order is required to move the organization forward and to sustain and improve on its goals. With this in mind it is my considered view that the board should be mandated to study and reconsider the organizational structure and goals / deliverables and to advise the members in due course of the progress and proposals which are supported by achievable and sustainable goals which benefit the whole fraternity.
9. MSA's core role as a regulatory body is not enough. The board held the view that this was the organization's single purpose but this has proven not to be the case. The issue of transformation remains a pressing issue and all steps must be taken to ensure and maintain broad participation and representation in the sport.
10. The board has to the best of my knowledge communicated more effectively following a recent strategic meeting. The functioning of the track owners committee is crucial and should be continued as frequently as possible.
11. The general economic downturn is a standard item in this report. There is little that one can do about the countries' fluctuating economic status which affects everyone in the same way.

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12. The training program for officials and the streamlining of the court processes require urgent attention. This has to take precedence over many other matters not of such importance. In order to stress upon members how important it is to get involved and not only sit in judgment of those who actually do something for the sport, consider this: ***Teddy Roosevelt said: It is not the critic who counts: not the man who points out how the strong man stumbles or where the doer of deed could have done them better. The credit belongs to the man who is actually in the arena, whose face is marred by dust and sweat and blood, who strives valiantly, who errs and comes up short again and again ....who spends himself in a worthy cause; who at least, at the best, knows, in the end, the triumph of high achievement, and who, at the worst, if he fails, at least he fails while daring greatly.***”
13. What is thus required is a common purpose and for members of MSA who believe that they are in a position to make a difference or assist in any way, to do so. Most officials are not paid, or not paid enough. This is untenable and leads to unhappiness and precludes other capable people from participating. I would encourage the organization to put into action and achieve its identified goals, but moreover not to pay lip service to it being a regulatory and sporting body but to act accordingly. Contracts must be considered carefully. If a series fails, it is not the promotor's fault (within reason) but rather MSA's, because of the failure or omission / astuteness to put in action appropriate checks and balances to ensure successful series.
14. Risks must be calculated and proposals cannot be accepted on face value because it sounds good and it behoves a few people. The superbikes and previous production

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cars series are two examples. Contracts with promoters must be carefully considered and promoters must be held accountable for their series and their obligations to run the series in accordance with the applicable rules.

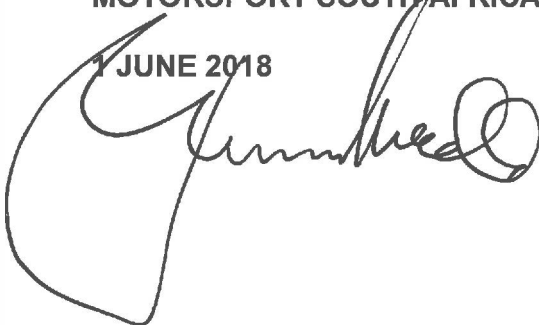
15. I trust that the organization will prosper and that the CEO will enjoy everyone's support in transforming and steering the organization for the benefit of all. I wish everyone the very best for the future and hope to be in a position to assist in transforming the organization. I thank the executive, board members and commission presidents alike for their unstinting support and guidance over the years.
16. To the best of my knowledge the finances of MSA are in good hands and I thank Anthony Taylor for his dedication and guidance, but most of all his positive focus. MSA has delivered a balanced budget again, a slight improvement in the financial reserves, and careful scrutiny of commercial agreements which will benefit MSA for the future.

**G. T. AVVAKOUMIDES**

**CHAIRMAN**

**MOTORSPORT SOUTH AFRICA**

1 JUNE 2018

A large, stylized handwritten signature in black ink, appearing to read 'G. T. Avvakoumides', is written over the date '1 JUNE 2018'.