



MOTORSPORT SOUTH AFRICA NPC

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REPORT BY THE CHIEF EXECUTIVE OFFICER FOR THE MSA ANNUAL GENERAL MEETING TO BE HELD ON 30 AUGUST 2017

This report covers the latter part of 2016 and the year to date in 2017.

With the South African economy in recession and the prevailing uncertain political climate, the pressure under which local motorsport finds itself just keeps ratcheting up. This being said, the sport is continuing to prove itself to be remarkably resilient in extremely trying times. While there are certainly categories of local racing that are taking strain there are others who are doing amazingly well in the circumstances. In this regard, specific mention must be made of national motocross, the GXCC cross country motorcycle events in the Northern Regions, 4-stroke endurance karting, the Junior Karting Academy Trophy (which mimics the international CIK series) and the Roof of Africa off road motorcycle event. The clear message here is that the more accessible forms of motorsport and 'halo' events/categories are the ones best able to withstand the numerous external pressures that are at play in the current motorsport environment.

Traditional motorsport, on a worldwide basis, faces tremendous challenges and is having to look at ways of reinventing itself to make itself more attractive to spectators, sponsors and broadcasters. The local motorsport scene is not immune to this phenomenon and a great deal of thought needs to go into how to make the sport more attractive to the 'millennial generation' who have much shorter attention spans than their predecessors and who consume video content via their smartphones rather than television sets. Digital media is becoming increasingly more important and it needs to be effectively harnessed for the sport to gain the maximum possible benefits and therefore ensure its sustainability into the future. To this end, MSA is currently investigating becoming involved with online gaming. The FIA is on the verge of launching an online gaming championship and MotoGP has also launched an online game. The FIA is creating 'virtual licences' with the goal of at least some of these being converted into actual competition licences. Online gaming is a huge thing amongst the younger generation and embracing it should open a new window to the younger generation for mainstream motorsport to tap into. The possibilities are certainly exciting.

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



sport & recreation
Department:
Sport and Recreation South Africa
REPUBLIC OF SOUTH AFRICA

Directors: Adv. G. T. Avvakoumides (Chairman), A. Scholtz (Chief Executive Officer), A. Taylor (Financial), P. du Toit, D. Easom, J. Fourie, G. Hall, A. Harri, M. Rowe, R. Schilling, Ms N. Singh, Ms M. Spurr

At last year's AGM there was again discussion around marketing of the sport. As a regulatory and administrative body, MSA is not really geared up to fulfil a marketing role and the sport is also too diverse for it to be effectively marketed on a centralized basis. The world has also changed and traditional marketing methods are no longer as effective as they once were. However, MSA's ManCom is of the view that some forward progress can be made in this regard through the creation of an MSA mobile app. The idea is that this app would act as a 'one stop shop' where competitors could take out licences and insurance cover, race results could be found, championship scoring could be uploaded and downloaded, competitors could enter events, competitors could receive reminders regarding upcoming events, etc. The aim would be to simplify administrative processes for both competitors and race organisers and to create a portal for both motorsport insiders and outsiders (spectators, sponsors, etc.) to obtain information. The app would therefore provide a useful tool for those involved in the sport, as well as market it to those who are interested in either getting involved or simply spectating. Preliminary discussions have been held with an app developer and the next step will be to discuss the possibilities with MSA's members at this year's AGM. In order to become a reality, the app would need to be supported by at least a majority of MSA's members, specifically those that organize events. The current thinking is that the app would be paid for by a small surcharge on each entry for each event (assuming that enough events agree to the entries for their events being done via the app). As mentioned, this will be tabled for discussion at the AGM to obtain input from the members present.

Transformation remains a priority for MSA, despite the obvious financial challenges. In recent years MSA's efforts have been largely focused in the two-wheeled arena, primarily for reasons of accessibility and affordability. However, the intention is to give more attention to four-wheeled motorsport going forward. Jonathan Mogotsi, winner of the *VW Driver Search* initiative mentioned in my report for the 2016 AGM, has already won an Engen VW Cup national championship race in his first full season of racing. Jonathan offers a prime example of racing talent coming to the fore when just given the opportunity to be showcased, and in doing so, he shows to the broader population what is possible.

Another major transformation initiative that MSA has embarked on is to embrace Car Spinning, a hugely popular form of entertainment in the townships. MSA is under no illusions that this will be an easy task but success will be a massive step forward in the transformation process and will assist greatly to ensure the long term sustainability of local motorsport into the future. As mentioned earlier in this report, traditional motorsport needs to reinvent itself in many areas and embracing new things is part of this process. If something that already enjoys mass appeal can evolve into a mainstream form of motorsport, this surely holds major benefits for the sport as a whole.

Although the state of the economy has seen a reduction in the number of local competitors racing overseas, those that do continue to acquit themselves very well. Just a few of the highlights were Blake Gutzeit winning the FIM Junior SuperEnduro World Cup at the beginning of the year, Sheridan Morais winning his first race in the FIM Supersport World Championship and Kelvin van der Linde being one of the winning drivers at the 24 Hours of Nurburgring. South Africa definitely continues to punch above its weight in international motorsport terms.

In closing, my thanks once again go out to the members of all MSA's various volunteer structures, as well as to series promoters, race organisers and race officials. Their tireless efforts continue to make the sport happen in a very tough economic environment and MSA owes them all a tremendous debt of gratitude. I need to make special mention here of Peter du Toit, who will be stepping down as a board member of MSA at this year's AGM after many years of service. Even when Peter and I have disagreed from time to time I have always recognised the huge contribution he has made to local motorsport, principally through the development of the Zwartkops facility, and I wish him well for the future.

In closing, I would like to thank my management team and staff for their support and hard work behind the scenes for another year. Few realise the lengths that they often go to in order to assist and I greatly appreciate their efforts.

Kind regards,

A handwritten signature in black ink, appearing to read 'A Scholtz', with a long horizontal flourish extending from the bottom of the signature.

ADRIAN SCHOLTZ
CHIEF EXECUTIVE OFFICER