

LEEDS UNITED SUPPORTERS TRUST

NEWSLETTER #3 October 2005

Introduction

We commenced the introduction of the last newsletter with the words that it had been a busy period for LUST as it seeks to re-establish itself and as we set out to pen this issue find ourselves once again writing the same words. But it is true – it continues to be extremely busy as we look at the various ways to fulfil our obligations to our existing members and to seek new members amongst the Leeds United supporters fan base.

For the first time we are issuing this Newsletter directly to our members and do ask them to seek our new website at lufctrust.org for a fuller view of what LUST is all about.

Disappointingly we have seen 2 Directors, Paul Silsden and Michael Green resign from the Board however we are able to welcome Roger Harrington as a pro tem replacement Director the position for which will be available for re-election at the next AGM. Roger is a long term LUFC supporter and is a local Councillor for Gipton and Harehills in Leeds. It is hoped to be able to announce the appointment of an additional replacement pro tem Director in the near future.

A feature of the past quarter has been the continued establishment of links with the club and their response to several letters we have written to them. Hopefully we will be able to maintain these links and perhaps the views of LUST (and its members) will gain some influence with the current owners.

LUST has continued to maintain contacts with both the area and national Supporters Direct movement with attendance at their respective meetings in York and London. It should be noted that the Supporters Trust movement continues to expand its influence with now either full or part control of some 13 clubs nationally.

The team's performance has been a bit like the curates egg – good in parts. Winning games we might be expected to lose and losing some games we are expected to win, however we have generally been in or around the top 6 places and who knows we might have to be dusting off those old maps down the M1 to the (new) Wembley come next Spring. Kiss of death then.....!!!

LUST PR/Membership Working Party Progress Report (Prepared by John Cave)

Following the last meeting the working party have concentrated on establishing the basis of LUST prior to starting the concerted membership drive. To this end we have completed the Website development which seems to have met with approval from Directors, members and supporters. Unfortunately the Paypal account has not been

implemented because of IT problems although we are still trying to get this sorted. We are tracking the number of 'hits' the website has and the idea of posting the letters and responses to and from the club should continue to provide a healthy interest in the activities of LUST. It needs repeating that our website only remains valid whilst we continue to expeditiously populate it with the daily minutiae that makes up the running of LUST hence all members and Directors should continually seek to provide relevant data that would be of interest. One of our members, Adam Ternent, has been responsible for the establishment and the maintenance of the site and for that we offer him our many thanks.

Since the start of the new season the Working Party has been responsible for taking up suggestions with the club concerning Ticket Pricing, Travel Restrictions to away games and a Park and Ride scheme. All these initiatives have met with a response, not always positively, from the club but we do appear at least to be establishing a rapport with them. The lack of apparent concern by the club to the dwindling attendances and high ticket prices was particularly disappointing as we felt that they have missed a huge opportunity to recover some lost ground with supporters. Unfortunately our initiatives have not yet been given the wider spread publicity we had hoped for and as a consequence have not had a significant impact on our membership levels although we have had some awareness success by publishing them on the various LUFC web-based chat Forums.

The other major development has been the successful conclusion with the Administrators (Ernst & Young) of Leeds Sporting plc – the public company that previously owned Leeds United and was put into Administration last year – for the names and addresses of the Companies shareholders. This has provided us with a list, some 24,000 long, of people who have previously been interested in having an investment interest in Leeds United. Obviously in our search for members this is a very valuable piece of data and how we use it in our quest for an increased membership is extremely important. We have taken some tentative steps in this area and via the good offices of another LUST member have obtained a competitive quote to carry out a Mail Shot to all 24,000 potential members on the list. In addition Adam Ternent has been working on ensuring that the list is in a suitable format that will allow the Mail Shot to be carried out electronically. Obviously we do not have the funds to carry out such an exercise ourselves without some outside support and assistance financially and a major forthcoming activity will be how we solve this dilemma. At the last committee meeting it was agreed that we should carry out a 'Pilot' mail shot of some 1000 former shareholders as this will then provide a yardstick as to how successful the full mail shot may be.

The LUST committee have agreed the revised annual membership fee proposals that were proposed in August. It is hoped that these lower levels will prove attractive to both our existing and new members.

We have decided to try 2 new membership initiatives: The first being a competition for free memberships based upon a 200 word written submission on 'watching Leeds United' and the second being in the form of a draw for new applications for a prize of 4 Match Day tickets for a group of friends or a family. The details of both will appear on the

website. We are extremely grateful to one of our members for underwriting this latter initiative.

The possibility of advertising LUST membership in the match day programme is under consideration and we shall be seeking prices for that in the coming period. In addition we understand that the club undertake Mail Shots itself and the costs of LUST participating in this are also be sought as they have a large data base of some 45,000 Leeds United supporters.

Despite now having the website which fully explains what LUST is all about we still find ourselves defending what we are trying to achieve and one area that continues to cause problems is our claim that we are an independent voice. This has now been largely overcome we think by refining this claim as LUST being an independent body **for** Leeds United fans rather than **of** Leeds United fans. There is a great deal of difference between the two statements and we would not be so brash as to try and claim to represent the views of all supporters, an accusation that had been levied at us previously.

Ground Safety (Prepared by Gary Hewitt)

Since the start of the current 2005-06 season, the Club had intensified efforts to eliminate persistent standing in seated areas, most notably in the Revie Stand. As previously reported, this is in response to mounting pressure from Leeds City Council's Safety Advisory Group (SAG) who are, in turn, being scrutinised by the Football Licensing Authority! Unfortunately, the only group who continue to be excluded from any discussions on the issue (and LUFC's aggressively-titled "Use It or Lose It" project could hardly be considered consultation) are the very people who are currently suffering the consequences of this action – the supporters who have overcome the ticket price increases and also stayed loyal to our Club. Ejections from the ground and confrontations with police and stewards are still evident at every home match.

There has been a huge increase in the number of uniformed police officers within the ground and, acting on advice from the area supervisors and control centre, large teams of officers will regularly move into the Revie Stand crowd and forcibly eject one or two supporters who have been seen to remain standing during play. This highly-visible and intimidating tactic has proved partially successful for the stadium management and many supporters will now remain seated against their will, despite the cramped conditions and lack of legroom in the this area of the ground.

Unfortunately, the resultant lack of atmosphere has been all too obvious and much of our "home advantage" has been lost, a factor which will undoubtedly cost the team dearly during the season.

On the subject of these intimidatory tactics, I was interested to read the recent Financial Times report by Prof. Stephen Reicher, a social psychologist at St. Andrews University. He noted that "studies of football crowds show that when police forces treat supporters as dangerous and adopt a wary stance, the level of hostility is far

higher than when officers take a relaxed approach", an observation which further convinces me that the "controlled standing" solution advocated by the Stand Up Sit Down Campaign would be far safer and more successful than the current approach adopted by Leeds United.

Also of interest lately has been the Football Supporters Federation report into the double standards applied to stewarding events at football stadia. Recent concerts by Oasis and REM at the City Of Manchester Stadium and the KC Stadium respectively have seen fans standing throughout the events, and even dancing in the seated areas, without any attempt being made to keep people in their seats. Is this really any safer than football fans passively standing to watch their team in the same seated areas? If goal celebrations and "moments of high excitement" are considered safe, why should it be unsafe to watch the rest of the match whilst standing? When this inconsistent and illogical situation is challenged, the FLA repeatedly state that they are purely acting on the instructions of the Dept of Culture, Media and Sport (DCMS) and have no flexibility within their remit. When the DCMS are questioned, they repeatedly state that they are purely acting on the advice of the FLA...

Until a little common sense is shown by either party and the situation is viewed from the supporters' perspective, we can only hope that Leeds City Council's SAG will afford the Elland Road fans the respect they deserve, let us all get behind the team vocally and concentrate on events ON the field.

Ground Ownership (Prepared by Paul Fallon)

We have no news since the last LUST newsletter on Ken Bates' previously stated intent to find a way to buy back the ground and somehow involve supporters in ways of owning a part of it. Watch this space....

On the wider subject on fan ownership of stadia and/or football clubs, Supporters Direct published an interesting article about Community Interest Companies (CIC's) in the September issue of their magazine. 'Community Interest Companies ('CICs' for short) are a new type of company (from July 2005). They are companies established to trade for the community good. The article explains that CIC's may provide a new model for fans and private investors to join together to own community assets such as football clubs or stadia. Here are some edited highlights from the article:

"Community Interest Company arose as part of a review of corporate structures from social enterprises undertaken in the last few years, and a demand was made by the social enterprise sector for a more flexible corporate form.

"The Community Interest Company attempts to reconcile the aims underpinning a social enterprise – community benefits, community need, environmental concern – with the needs of the investors who have the capital needed to enable these social enterprises to grow and flourish. Although CICs can raise investment from investors, the dividends that

can be paid are capped, as is the interest paid on loans. Crucially, the major assets – the property owned by the social enterprise – can be locked away to stop it being sold off by the current shareholders, or used as collateral against loans. Finally, there are two classes of investors – stakeholders and investors, and stakeholders have 75% of the votes at any meetings in case someone wanted to vote to stop being a CIC and become a normal company.

The upshot is that investors don't put money in if they want a quick buck, or to get their hands on a company that's doing quite nicely in order to strip the value out of it. It does favour any investor who believes in the values of the organisation and knows that it is possible to run the business soundly and generate a small surplus for reinvestment and a small surplus for the investors. Crucially, all of these stipulations have the full force of law behind them

It's pretty easy to see the advantages of the CIC to football. The asset lock can prevent the ground being rashly borrowed against or sold off. The rules on voting ensure that the balance between long-term stakeholders – fans – and investors is struck properly, and the rules on dividends on interest mean that investors and the community share in the benefits of a prudent financial plan based on sustainability, not success at all costs. And finally, as a CIC is more a 'coat' for existing companies rather than a completely new corporate form, a CIC can enter administration, meaning that the major objection of the game's authorities to Clubs becoming IPS's is overcome.

The CIC only came into being in July 2005, and whilst there are lots of social enterprises anxious to become CICs, there's no football clubs in that queue yet. But how about a club owned by a mixture of local businesses and the supporters trust, surrounded by a legal framework balancing the rights and powers of both? Or a shared stadium in a community owned by the local community, with investors – including the clubs playing there – sharing in the benefits of their tenancies but unable to risk the future of the stadium itself?

It's already clear that the CIC is an exciting new tool for football and for trusts to really start to change the orientation of clubs towards their communities and we will be taking these ideas forward in the next few months. We have been working with Stephen Lloyd at Bates Wells & Braithwaite, the lawyer who created the CIC, to look at the problems – and possibilities - not just in football but others sports. 100 years on, clubs constituted as companies still bear the hallmarks of a square peg in a round hole, but the CIC could well be the perfect fit.

Another interesting article about fan ownership of the football ground appeared in a national newspaper recently. Fans at Bournemouth are said to be close to securing a deal with Standard Life that will enable them to buy the club's stadium using self-invested personal pensions (Sipps). Brighton and Hove Albion are also considering using supporters' pension schemes to secure finances for a new ground. Bournemouth have already succeeded in signing up 35 of the 40 fans needed to contribute £50,000 each in to a Sipp to raise £2m. Under existing Sipp rules, the scheme would then be able to borrow a further £3.6m, raising enough money to buy the stadium and surrounding land, which is

valued at £5m. Careful work has gone in to structuring the deals to minimise risks to fans who invest. Standard Life said that the scheme could easily become a blueprint for other fan-led efforts to buy stadia. Chesterfield has also expressed an interest in the model and will be keeping an eye on developments in Bournemouth.

Community Involvement (Prepared by Michael McGowan)

LUST has been actively involved in promoting an exhibition put together by Paul Eubank about Albert Johannesson – the former Leeds United star who died in very unfortunate circumstances some 10 years ago. Albert was the first black player to play in an FA Cup Final and in memory of his death late in September 1995 the exhibition was held in conjunction with Leeds Cooperative Society at their store in Beeston near Elland Road.

LUST has also been in discussion with the club for them to promote the same exhibition at the ground as part of the national ‘Kick It Out’ campaign in October. Some discussion needs to had at LUFC about budgets for Kick-It-Out before any firm decisions can be made but we are hopeful that the exhibition will be shown at Elland Road.

Representatives of LUST also attended the John Charles exhibition in Cleckheaton and discussions were held with its organizers.

Some discussions are now underway about introducing some new community initiatives within LUST, for which we will be seeking corporate sponsorship.