



# FAN ADVISORY BOARD

## MINUTES OF SECOND MEETING

14<sup>th</sup> May 2024



Tuesday 14<sup>th</sup> May 2024

6pm-8.30pm

Venue: L5 Boardroom, St James' Park.

### In attendance

#### NUFC/Other Attendees

Darren Eales ("DE")	Newcastle United – CEO
Peter Silverstone ("PS")	Newcastle United – CCO
Simon Capper ("SC")	Newcastle United CFO
Yvette Thompson ("YT")	Newcastle United – Commercial Venue Director
Dan Ginger ("DG")	Newcastle United – Brand, Marketing and Digital Media Director
Lee Marshall ("LM")	Newcastle United – Head of Communications
Sarah Medcalf ("SM")	Newcastle United – Head of Supporter Services
Matt Willis	Newcastle United – Supporter Liaison Officer
Colette Monahan	Newcastle United – Trainee Solicitor

#### Fan Advisory Board Attendees

Michael McCarthy ("MM")	STH (Chair)
Marion Williams ("MW")	STH (Vice Chair)
Rajat Nayyar ("RN")	Member
Thomas Symonds ("TS")	Young Person
Natalie Noyes ("NN")	International
Paul Karter ("PK")	NUST
Adam Stoker ("AS")	NUST
Claire Wintrip ("CW")	United with Pride
Joe Ayton	NUDSA

## AGENDA

1. WELCOME
2. CHAIR'S UPDATE
3. COMMERCIAL
4. FINANCIAL
5. TICKETING
6. VENUE
7. COMMUNICATIONS
8. AOB



## **WELCOME**

MM, chair of the Fan Advisory Board, welcomed all attendees to the second FAB meeting at St. James' Park.

## **CHAIR'S UPDATE**

MM gave an update on the following areas:

- MM attended the recent Iftar event hosted by Newcastle United at St. James' Park and commented that the event had been well attended and was an overall success.
- MM has had introductory meetings with the *Wor Flags* and *Newcastle United Supporters Club* groups to discuss the FAB's scope. MM will maintain communication with the groups.
- *Wor Flags* raised an operational question around storage, which MM relayed to the club.

## **FINANCIAL**

The FAB raised a reported recent vote by Premier League (PL) clubs on proposed changes to Profit and Sustainability Rules (PSR). MM enquired as to the club's position and broader potential implications should the rules change.

DE responded on behalf of the club to outline that PL shareholder meetings are subject to strict confidentiality rules. He outlined that the current rules remain active, and that any relevant discussions or votes around rule changes would need to be announced formally by the PL. SC did point out that a squad cost regime is already in place in UEFA competitions that NUFC has to adhere to when playing in Europe. Under a "squad cost" structure, those clubs with higher revenues are able to spend more than others. This underlines the importance of the club growing its revenues.

## **COMMERCIAL**

NN raised a query regarding Newcastle United merchandise and the current challenges of purchasing official club items in the United States.

NN welcomed information on how the club intends to grow its international fanbase through merchandise, particularly as the club moves its retail operations in-house.



## **RETAIL PRESENTATION BY PETER SILVERSTONE, NUFC CCO**

PS presented on plans for the club's new retail operations. This included the following:

- Newcastle United is moving its retail operations in-house for the first time in more than a decade.
- The region has a depth of talent in the retail industry and the club has recruited a passionate local team to drive its new retail store and e-commerce operations.
- The club will launch a range of Newcastle United-branded items and will gradually build the range of licensing and merchandise products.
- A temporary store is being introduced to Strawberry Place, enabling the existing stadium store to close and undergo a full refit in partnership with adidas this summer.
- The temporary store and new e-commerce platform will be launched on 29<sup>th</sup> May 2024.
- The club's adidas home kit and further adidas products will be launched on 7<sup>th</sup> June 2024.
- Away and third kits will follow during the off-season this summer.

In response to NN's question, PS outlined that *Global-E* will be the club's international distribution partner for the United States and beyond. PS outlined that adidas will also have its own distribution network for these markets. JD Sports will also service European markets, alongside the Club and adidas.

PS confirmed that the club's aim is to create a world-class retail experience, underpinned by a strong product range and exceptional customer service delivered by an in-house retail team.

### **QUESTIONS AND FEEDBACK**

RN: "There has been lots of social media feedback relating to Castore delays in kits being sent to fans. What steps has the club taken to make sure the experience that fans have over the coming season will be more positive?"

PS acknowledged feedback from supporters. He outlined that under the new retail operation, the club is looking forward to building a direct retail relationship with supporters and will be accountable for service levels. PS welcomed views at the next FAB so that members can provide feedback on progress.

DE added that, at the time of the FAB meeting, "everything is outsourced" so the club has no input or data.

DE: "We are really excited to have this opportunity to create direct relationships with supporters. This is a brand-new retail business so there will be teething issues, but the intention is to be speedy in resolving any issues."

AS: "How will the club be encouraging supporters to buy directly from the club rather than shop through adidas or other retailers where buyers receive perks/discounts? Will similar perks/discounts be available? E.g discounts for ST holders"

PS: "When supporters buy directly from the club, that ultimately helps the club to be stronger on the pitch."

PS explained that discount and offers could be an area the club will look at under its membership proposition. He emphasised that the club needs to ensure it is delivering the best service levels and product ranges to encourage supporters to shop with the club.



MM: “Could we have further information about kit launch and general updates about next season? What input can the club have from fans around kit design?”

PS outlined the club’s excitement at the range of adidas products that would be available to supporters from the summer onwards.

He explained that when designing kits, a brand such as adidas balances its understanding of future trends and styles with the identity, history and heritage of the club, and then presents a selection of ideas. PS said the club would be happy to pass feedback on but explained that the kit design process starts a considerable amount of time in advance of sale – sometimes up to two years beforehand.

DE referenced a previous visit to adidas HQ in Herzogenaurach, Germany, as seen in the club’s ‘We Are Newcastle United’ documentary on Amazon Prime. DE and senior executives visited adidas’ kit archives and were able to see original versions of the brand’s hugely popular Newcastle United kits from the 1990s and 2000s.

RN asked how crests or club trademarks are used on kit and how fans could have an input.

SM clarified the distinction between how the club crest or elements of club trademarks may be used on kits compared to what is included in the club’s Fan Engagement Plan on crest, kit and stadium.

As included in the Fan Engagement Plan, if the club ever decided to change its crest – which it isn’t – this would be considered a ‘heritage item’ and would be within the scope of the FAB.

MW asked if there would be a specific kit range made for women.

PS confirmed that there will be women’s kit sizing but, at this stage in our journey, there will be no specific adidas kit range made purely for women/the women’s team. NUFC will source and range its own women’s ranges.

MW referenced affordability of club kit and merchandise, citing poverty in some areas of the region.

MW: “Is there some way we can acknowledge this and not exclude people?”

MM supported the question, asking: “When it comes to important merchandise periods like Christmas, will there be items that suit all budgets?”

DE: “This is exactly what we will be looking at. We want to provide a breadth of range with different price points that allow people to have ability to choose. It’s something to think about as we are going forward. We know from the work the Foundation does many of the challenges people have.”

PS: “We can look at ways that our retail business can work with the Foundation. The power and control we now have could help us do this.”

PS & DE recognised this was a good suggestion and the Club agreed to take this point away for further consideration.



## PARTNERSHIPS

PS gave an update on the club's commercial partnerships examples and discussed:

- The huge success of the *Unsilence the Crowd* with Sela. This has been a flagship activation for the club and Sela, with the campaign achieving a global impact across multiple channels.
- Quidd has launched its exclusive Newcastle United digital collectibles, achieving very strong engagement levels on launch.
- The club welcomed the *Saudia x Formula E* activation, which saw a Formula E car brought to Newcastle upon Tyne and a commercial shoot with first team players. This is an example of how the club can bring brands together and engage a global audience.

MM asked how the club might be able to share more on prospective partnerships with the FAB.

PS explained that the partnerships market is extremely competitive between clubs and other sports and entertainment organisations and deals rely on the strictest confidentiality.

SC raised the example of 'fan token' partnerships that other clubs have done.

PS confirmed the club was not currently looking at this, but that it was a good example of the type of partnership which the Club would welcome, and need (based on PS' previous experience), FAB feedback. If any prospective future partnerships are directly related to 'fan engagement', the club will come to the FAB for guidance.

## MEMBERSHIPS

DG presented on current membership and plans for the club's 2024/25 membership offering.

This included:

- An outline of existing membership benefits.
- The club has sought feedback to shape memberships. 10,000 fans responded to a recent memberships survey, with 8,400 of those respondents identifying as members and 1,600 non-members. 85% of respondents plan to renew, while 88% of non-members are considering signing up.
- Feedback indicated the key motivations to sign up included ticket ballot, food and beverage discounts and access to exclusive digital events.
- 50% of respondents believe membership represents 'good value'. Accordingly, the club is keen to consider how it can boost the value of membership.

The club's focus is on improving benefits and adding features and functionality that will enable fans to get closer to the club.

DG outlined that the club's focus is on nurturing its fan community. The club wishes to improve the value fans see in membership, ensuring members are getting more for their money, a deeper connection with the club and more experiences and benefits.

DG outlined the following plans for 2024/25:

- New distinct membership branding was shown (this also appeared on stadium LED boards towards the end of the 2023/24 season).
- The club will introduce distinct tiers of membership.
- Examples of tiered benefits will include exclusive retail discounts, exclusive retail product access and pre-sale ticket access to events including concerts and STACK.
- Members will continue to benefit from discounts at Shearer's and on stadium tours.
- The club is reviewing its competitions for fans and is likely to introduce exclusive in-person events at STACK, 'after hours' store events and 'money can't buy' experiences (that may include benefits such as player meet and greets and training ground visits).
- Content is one of the main vehicles for fan engagement and the club will provide exclusive content for members through improved single-sign-on (SSO) registration.

DG outlined that this is the first iteration of a new membership product, and that the club wants to build on this year-on-year.

DG also outlined the club's growing number of commercial partnerships, and the club is looking at how it can incorporate benefits from partners into membership.

MM welcomed an opportunity for the FAB to collectively consider feedback and ideas around the 24/25 membership offering before presenting back to the club. The club agreed to send further information to the FAB on memberships.

DG outlined a potential on-sale date for 2024/25 membership in the off-season but welcomed this offer.

PS made a comment about how engaged the fans are with the club and how encouraged he was by the number of respondents (10,000) to the Club survey. He noted that getting meaningful responses to surveys was not easy and was welcomed.

## **TICKETING**

YT gave an outline of ticket ballots, which included the following:

- The club's aim is to make access to tickets as fair as possible.
- The club's original proposal was to allocate all seating categories across the stadium to members, however this was changed following supporter feedback.
- Success rates in ballots varies depending on the opposition. In the 2023/24 season, the odds of success on a game-by-game basis ranged from a one-in-two chance up to a one-in-five chance.
  - Members had an average one-in-three chance of being successful over the season.
  - There was greater availability in Category 2 or 3 seating due to size of those areas.
  - Initially, the club received a higher number of applications for the most expensive seats.
  - 75% of members had access to at least one match ticket at St. James' Park, which



could be down to a number of factors. Of the 25% that didn't access a ticket:

- 14% of members didn't enter a ballot, suggesting membership was potentially purchased for other benefits.
  - 2% of ballot applications were considered suspicious and were blocked by the club.
  - The club is continuing to review its data to ensure genuine supporters have the best chance of gaining access to tickets.
- The average number of tickets available on the club's official resale platform, which is exclusive to members, was around 400 per match.

YT outlined considerations for the 2024/25 season:

- The club is working with its ticketing provider to review feedback
- The club is exploring the possibility of members being able to enter into more than one seating category, potentially improving success rates.
- The club could look at selling a portion of tickets – possibly 20% of tickets available to members – on a 'first come first served' basis.
- Following successful introduction of digital ticketing in 23/24 season, the club will continue to work to further improve matchday experience for supporters. Flow rates into the stadium on a matchday using digital tickets is now at similar levels as access using paper tickets.

SM reflected that ticketing is always contentious when demand exceeds supply and that opinions can vary, but welcomed FAB feedback.

DE encouraged FAB feedback and said an 80-20 split on ballot v first come first served could be a good compromise.

PK outlined Newcastle United Supporters Trust's recent survey and will share its results with FAB members for review.

## **QUESTIONS AND FEEDBACK**

MW Questioned why we have ballots, rather than just maximising the sale of season tickets.

DE explained this would lead to a 'lock out', whereby non-season ticket holders would simply have no realistic prospect of being able to attend matches. The club's view is that a ballot provides a fairer system, but the club always welcomed feedback.

TS queried whether including a portion of tickets on a 'first come first served' basis could make it easier for bots to obtain tickets for illegal resale.

YT acknowledged that this was a valid concern but explained that the club does utilise technology to tackle bots alongside the club's ticketing provider and would continue to monitor this.

RN asked if the club's ballot statistics account for only members making individual purchases or whether that includes members applying for themselves plus family and friends with linked memberships.





YT confirmed the statistics (outlined above) include all members.

PK: "Our NUST members are telling us that 60% of members had less than 20% success. This is out of 600 members. 26% got between 25-50% success."

YT responded that the statistics provided by the club were based on overall actual sales and ballot data across a far greater number of members [than 600].

MM outlined FAB to go back on feedback on 100% vs 80/20% split.

YT welcomed this as the club pursues a fair system that fits with supporter feedback.

NN asked how international fans can be accommodated, particularly if they are part of larger groups.

YT explained that individual supporters are included within the group of main ballots. For larger groups, the club tries to support access ad hoc, and on an extremely limited basis, due to the complexities with flights and accommodation. This is something the club is willing to further consider based on FAB feedback.

## **TICKETING TRANSPARENCY**

Following recent fan feedback, the club will continue to consult with the FAB on the transparency of ticketing distribution at home and away matches.

For away fixtures, YT confirmed that a small number of tickets are kept for matchday operations and a small number for partners and seasonal hospitality clients. The club does have a very small allocation for staff to apply for on a ballot basis, many of whom are supporters of the club but are required to work at home matches.

MM welcomed this initial discussion on transparency and the FAB look forward to receiving further information in due course.

## AWAY TICKETS

The club continues to strive for a fair access model that protects and promotes its long-established loyalty points system. For away matches, feedback has been noted from some supporters that that empty seats have appeared at a small number of away matches despite unprecedented demand.

The club considers:

- Empty seats at some matches could be for a number of reasons, including:
  - Travel/transport/accommodation issues.
  - A small number of supporters buying tickets to gain a loyalty point without intending to travel.
- In addition, the introduction of random ID spot checks has impacted on tickets being sold on an unauthorised basis to supporters who do not have the requisite ticket access and/or loyalty points.
- Reference to number of loyalty points required to attend an away game during the 23/24 season compared to the previous season.

<b>Premier League Game</b>	<b>23/24</b>	<b>22/23</b>
Man City	10	45
Brighton	1	20
Sheff Utd	25	na
West Ham	10	20
Wolves	1	20
Bournemouth	15	155
Everton	5	45
Spurs	5	45
Luton	162	na
Liverpool	5	15
Aston Villa	3	65
Notts Forest	26	70
Arsenal	9	65
Chelsea	4	90
Fulham	15	80
Man Utd	19	50
Crystal Palace	2	50
Burnley	56	na
Brentford	114	145



The club is committed to improving its systems and welcomes feedback from the FAB around the distribution, collection and potential authorised transfer of away tickets in future.

## **QUESTIONS AND FEEDBACK**

MM: “Is there an opportunity for season ticket holders to nominate two people that they could transfer their ticket to if they’re unable to attend?”

YT explained that the club and FAB needs to decide how nominations could be applied. For example, this may require the nominee to also be a season ticket holder with the same points eligibility as the original ticket holder.

SM advised that the club would send additional detail in respect of a number of proposed options for 24/25 away tickets to the FAB to support their feedback, in respect of those options.

## **VENUE**

DE cited inaccurate reports in the media about the club’s stadium feasibility study.

DE said: “We haven’t had the final report on the feasibility study. After the club and its owners receive the report and discuss it, the Fan Advisory Board will be the first group we consult. At this time, no results have been received and no conclusions have been reached.”

## **QUESTIONS AND FEEDBACK**

RN requested that the FAB sees the full report and asked if there is a timeline for completion of the full report.

DE advised that the full report will likely be completed during the close-season, summer 2024. DE confirmed a summary of the final report will be presented to the FAB following receipt and discussion by the club and its owners.

AS requested an additional FAB meeting once the report is received.

DE acknowledged the feedback and reiterated the club’s commitment to engage the FAB.



## **MATCHDAY ATMOSPHERE**

The club is incredibly proud of the unique atmosphere generated by fans at St. James' Park and is keen to support this. The club therefore held a matchday atmosphere workshop recently, and SM provided an update:

- The club appreciated the input of so many supporters at the workshop.
- The club has since upgraded its PA system, with new speakers in several areas of the stadium.
- The club has committed to investing significantly in improved 5G connectivity, and this will be installed next season.
- Initial ideas from the workshop are being discussed internally but the club welcomes further feedback from the FAB.

## **QUESTIONS AND FEEDBACK**

AS noted that there was a noticeable improvement in the PA system at the final home match of the season.

DE praised supporters and Wor Flags for the atmosphere they generate. He emphasised that the club is keen to amplify this if it can.

MM stated that the FAB will consider this area and will revert with suggestions in due course.

Following a matchday atmosphere fan workshop delivered at SJP in March, the club are now working with an external agency to explore how the matchday experience could be improved further. This will be brought to the FAB for consultation and discussion.

## **COMMUNICATIONS**

MM discussed how the FAB communicates, in particular the plans for a designated FAB email address and a presence on the club's official website.

### **Email address**

MM confirmed that he will manage the email account but this will be subject to review once the email is set up and volume of responses is assessed.

The club committed to providing internal support if it was required.

### **Website**

SM explained that there will be a dedicated FAB page on the website. This could include 'latest news' related to FAB, member biographies, record of minutes and a central point where FAB can be contacted.



SM encouraged MM to review best practice and what FAB members would like.

PK asked how FAB will get information they want actioned on the club's website. He noted that the club may not be able to publish articles as quickly as FAB members could via their own channels.

LM explained that news pieces follow a publishing process internally, but that the club would be happy to review any proposed communications to support the FAB. In terms of website, LM explained that DG's team will review how FAB may look.

LM will get views from FAB about how it engages with supporters through mainstream media and club channels, helping to encourage fans to reach out to the FAB directly.

CW said that high visibility of the FAB would encourage people to speak personally with its members.

SM suggested the club could create or utilise a space for FAB members so that fans can speak to them in person on matchday.

## **AOB**

NN asked for updates on an 'official supporters club' programme.

SM advised that the club was looking to launch in Summer with the aim of having it in place for next season.

Meeting ended.