



GOLDEN GATE YACHT CLUB

#1 Yacht Road, San Francisco, California USA 94123

MYTH VS. REALITY: Ernesto Bertarelli's *Le Figaro* Interview

Ernesto Bertarelli recently gave an interview with France's *Le Figaro* in which he repeated several claims that need to be corrected. Here's what he said (Myth) and what the facts are (Reality):

Myth: ***BMW ORACLE Racing (BOR) is insisting on a Deed of Gift one-on-one race with Ernesto Bertarelli when BOR becomes the 33rd America's Cup Challenger of Record. ("I don't see what [the lawsuit] will bring them, if only a victory that would guarantee a multihull duel against us.")***

Reality: In fact, BMW ORACLE is committed to a multi-challenger regatta. All we've asked for are fair rules, like those used at the successful and popular AC 32. We have said that we will drop our lawsuit – putting the America's Cup back on the water – if Alinghi agrees to such an event. That's the simplest and fastest way to get the Cup back on course.

Myth: ***The rules proposed by Alinghi are designed to reduce the costs of teams competing for the America's Cup. ("It's essential, in the current financial context to reduce costs...It's my principal objective.")***

Reality: We're strongly in favor of reducing costs as well, especially in these uncertain economic times. But the rules proposed by Alinghi are not about cutting costs or making it more economical for teams to compete for the America's Cup. The rules they've proposed would give them an insurmountable advantage. That's why seven major

AC competitors called the rules “the worst” ever. They are unfair and anti-competitive.

Myth: *The rules proposed by Alinghi are good – it’s just that their public relations savvy and timing aren’t so great. (“We committed a fundamental error ... The communication of our vision was very bad. And we paid the price. But a year later, we realize our vision was probably a good one.”)*

Reality: Decide for yourself whether the Alinghi rules are “a good vision” for the America’s Cup: First, there will be no neutral officials. All umpires and race officials will be employees of Alinghi’s management company, ACM. Second, ACM sets all the rules for racing and can sanction, restrict or disqualify competitors as it sees fit at any time. Third, for the first time since the advent of a multiple challenger series in 1970, the Defender would control the Challengers’ series. The Defender is even entered in the Challenger series and could affect the results – even exclude a competitor – at no risk to itself. Overall, the new rules make Alinghi the judge, jury and a participant at the same time – a hopeless tangle of conflicts.

Myth: *BMW ORACLE Racing say one thing in private and do another in public (“[The GGYC] press release issued afterwards was not clear. And then Russell Coutts hasn’t helped the discussion so far.”)*

Reality: The GGYC release said the meeting was cordial and we would meet with Ernesto Bertarelli anytime in order to get AC 33 back on the water as a conventional multi-challenger regatta with rules similar to AC32. This still remains the case. Russell Coutts has always fully supported this position. As one of the best sailors in the world, Russell is as eager as anyone to get the America’s Cup back on course and to compete on the water.

Translation of Le Figaro article courtesy of Valencia Sailing (www.valenciasailing.com), 6 October 08.