



GOLDEN GATE YACHT CLUB
#1 Yacht Road, San Francisco, California USA 94123

New York, Wednesday, January 7, 2009

Dear Media Colleagues,

This is the second issue of "GGYC Cup Newslines," our regular report to the media and others interested in BMW ORACLE Racing's activities on the water, in the courtroom, and elsewhere. We'd like to review what happened in the last few weeks of 2008 and things that have *already* happened in 2009. It's been busy, so without further ado...

Let the Court Decide

This past week, two prestigious yacht clubs - both former Trustees of the America's Cup - and a former America's Cup winner filed "friends of the court" briefs supporting our position to reinstate the trial court ruling that the challenge made by CNEV (the sham Spanish "yacht club") is invalid and to declare GGYC the legitimate Challenger of Record for AC33. Among those filing briefs were the [New York Yacht Club](#), the [San Diego Yacht Club](#), and America's Cup winner [Bill Koch](#). These briefs complement an "[amicus](#)" filed last year by Reale Yacht Club Canottieri Savoia (RYCCS) of Naples, Italy and the Mascalzone Latino yachting syndicate. Each of them made powerful arguments.

Other noteworthy events regarding our court case:

- On Dec. 5, we filed our [reply brief](#) to the New York State Court of Appeals. You can read [excerpts](#) on the [GGYC website](#).
- On Dec. 8, GGYC Commodore Marcus Young sent a [letter](#) to SNG Commodore Pierre-Yves Firmenich officially informing him that GGYC and BMW ORACLE Racing would not submit an entry by December 15, the arbitrary deadline for entering the regatta being planned by Alinghi and SNG. This, he wrote, would be a regatta "without several top competitors and major sponsors, without fair rules, without any regard for 157 years of America's Cup tradition, and most importantly, with [SNG's] continuing reckless disregard for the Deed of Gift."

Commodore Young added, "Rather, we will now focus our efforts and attention on winning our appeal before the New York State Court of Appeals - clearly the only avenue left open to create a fair and competitive challenge that preserves the integrity, prestige and tradition of yacht racing's pinnacle event in keeping with terms of the America's Cup Deed of Gift."

In an [interview with AP](#), Larry Ellison summed up our position, "[T]hey want us to agree to this set of rules, but they won't tell us what the rules are, which is typical of Ernesto . It's crazy."

- On Dec. 20, when we finally saw the rules - five days AFTER the deadline for entering AC 33 - we saw why Ernesto was reluctant to share them. Among other things, he and his management group STILL can change the rules at any time AND throw out competitors for any reason. None of the changes in the draft Protocol address the 10 Points in our plan for a fair Cup.

Oral arguments are set for Feb. 10; the court is expected to rule by the end of March.

Enhancing the Appeal of the America's Cup

During a panel discussion on "The Future of the America's Cup After AC32," at the inaugural [World Yacht Racing Forum](#) in [Monaco](#), [Tom Ehman](#) outlined the six elements "required to enhance the appeal of the America's Cup for fans and sponsors and retain its status as yacht racing's pinnacle event": preserving the integrity of the America's Cup as a challenge race; achieving fair and competitive AC rules; securing participation by all the top teams; cutting cost; incorporating the latest in sailing technology; and making the America's Cup the centerpiece of a robust calendar of international sailing events.

On the Water

In late November, we completed Phase I of the trimaran sea trials in San Diego. We are pleased with the boat's performance, what we've learned, and the skills we've gained. Several media outlets - [CBS](#) and [ABC](#) in the United States, the [International Herald Tribune](#)/[The New York Times](#) and [AP](#) - visited the base, saw the boat in action and wrote or broadcast stories. We will modify the boat and return it to the water in San Diego later this month.

In mid-December, Larry Ellison, Russell Coutts, Jimmy Spithill and others were in the Canary Islands for the final [RC 44 event](#) of the year - the Puerto Calero [RC44](#) Gold Cup. The BMW ORACLE Racing entry, helmed by Ellison, finished second for the match racing season behind Spithill. Our December 15 [release](#) has more details. Congratulations to our team and all our competitors!

Finally, two of our boats - USA 87 and USA 98 - are now in Auckland for the Louis Vuitton Pacific Series which will start at the end of this month. Our boats, along with New Zealand's, will enable 12 teams to compete. Ten teams, including BMW ORACLE Racing and Alinghi, have entered so far.

That's it for now. As always, your comments and suggestions are welcome.

Call or email me if you have a question, need information, or want to talk to one of our team members. You can see the latest photos from Gilles Martin-Raget on our team photo archive at www.bmor-photo.com.

Thanks,

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