



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

Statement
Russell Coutts, CEO of BMW ORACLE Racing

Valencia January 13, 2010 – Can the Swiss defender race with sails made in the USA? This is the question Golden Gate Yacht Club put to the New York Supreme Court today.

GGYC has asked the Court to resolve this following the breakdown of two days of talks in Singapore with the America's Cup defender Société Nautique de Geneve at which mutual agreement was being finalized when negotiations ended.

The Singapore meeting followed one last week in Valencia where a previous good-faith effort was also made to settle the matter.

“Naturally we are disappointed to see the chance of agreement taken away,” commented Coutts.

Also at the talks were David Kellett, from the International Sailing Federation's Executive Committee, and David Tillett, chairman of the International Jury for 33rd Match.

Constructed-in-country is not a hypothetical question, but a fundamental one. The Deed of Gift is clear. Without mutual consent and in the absence of other rules, Alinghi, cannot construct sails in the USA and claim they are Swiss-made.

The New York Supreme Court has previously ruled on other key issues affecting the yachts of the challenger and defender ahead of the Match; such as whether engines can be used to power the winches and whether rudders are included in the measurement of the yacht's waterline length.

“Once again SNG is showing total disregard for the Deed. First SNG claimed that sails were not part of the yacht. Then it claimed that Alinghi's sails were built in Switzerland, not the USA. Now, SNG is saying that ‘constructed-in-country’ is not relevant until it announces its yacht for the Match.”

GGYC disagrees on all three counts.

“Our aim is to make sure that the Deed of Gift is upheld, and that the result of the Match on the water is beyond question,” Coutts said.

It is expected that the Court will rule before the first race scheduled for February 8 in Valencia, Spain.

For further information:

Jane Eagleson, +34 620 280 742
jeagleson@bmworaccleracing.com
www.ggyc.com

Dawn Schneider
BOIES, SCHILLER & FLEXNER LLP
+1 212 446 2308
DSchneider@bsfillp.com

Q & A Constructed- in -Country

What is CIC?

It means “constructed in the country.”

It is the DNA of the America’s Cup.

The national origin of each yacht is fundamental to America’s Cup

Why is CIC important?

The Deed of Gift requires the challenging and defending yachts to be “constructed in the country” of the yacht clubs they represent.

The question mark hanging over Alinghi’s sails must not be a question mark left hanging over the Match.

Are Alinghi’s sails illegal?

If they are made in America, they cannot be “Swiss-made.”

What is the 3DL process?

A sail designer sends a 'file' of the required design. North Sails supply the high technology fibres, films, cloths, tapes, adhesives etc to construct sails over a sophisticated mould using heat and vacuum techniques.

At the end of the process the customer has a virtually finished sail delivered.

A customer may or may not add joints, fittings, stripes, chafe patches, etc., but effectively the sail is manufactured in Minden, Nevada.

Why is GGYC going to court?

Alinghi must abide by the rules same as we have. CIC is a basic and long-standing Cup rule.

Unless there is mutual consent to more liberal rules, CIC must be adhered to by both teams.

We want the result on the water to be the final result.

This is a Deed of Gift issue. The Court is the right jurisdiction for this.

This is not a hypothetical question or protest. We are asking the Court to confirm the correct interpretation of the Deed.

Won't this delay the Cup?

No. The opposite is true. By removing doubt over Alinghi's sails, there will be no need for litigation after the Match.

Removing doubt before the racing starts is the fairest solution for the Cup, race fans and both competitors.

We believe the Court process can be completed before the 8 February.

Are you trying to disqualify Alinghi?

No. Alinghi took a gamble building its sails in America. They can still build sails in SUI, or use sails that they may have already built there.

Switzerland has a good record of innovation in sail making. There is no reason why Alinghi could not have made legal sails in Switzerland in the past; no reason why they can not now.

Is GGYC still offering time to Alinghi?

Yes, but only a short time to sort this out. It is really for SNG to find a solution Alinghi's problem.

GGYC has been, and always will be, ready to negotiate about any problem, and any reasonable solution.

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