

# SETTING THE STANDARD

A Project For Improving Rangers



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### Introduction

I doubt many Rangers supporters will be unaware of criticisms of our club in recent times. Inconsistent performance on the park; worsening financial problems off the park; ongoing and unchallenged negative supporter disciplinary coverage; and minimal methods for concerned fans to make their worries clear due to poor club/supporter relations precipitated by malfunctioning supporters groups. We could all add our own grievances.

Of course it is easy for anyone to criticise – supporters, journalists and even the club have done so in various ways. However, it is important to keep these criticisms constructive to avoid adding to any perceived problems. It is with that positive outlook in mind that Gersnet have led an investigation into supporter concerns but, rather than simply complain, we felt it prudent to examine these valid issues and offer suggestions to address them. Having just won the SPL title, it is vital we use this position of relative strength to examine all areas of the club and improve our chances of future success.

This project has initially taken the form of in-depth supporter articles available on various websites. A wide range of contributor background was utilised – from season ticket holders, to ex-pat supporters, to neutrals with relevant experience in certain fields.

The main thrust of these articles was debated online and we now make these full articles and their empirical conclusions part of this report for offline supporters. A shorter report was also released online for download to complement this full version.

The next obvious step is to provide the report for the perusal of Rangers Football Club and other relevant parties; such as the Rangers Supporters Assembly. We hope that this will stimulate debate in these organisations and ask all bodies in receipt of this report to contact us with their input. We also invite contributions from any supporters interested in the project.

To conclude, the 'Setting the Standard' project is all about positive debate for the betterment of Rangers Football Club. Many Rangers supporters have already taken part and are interested in finding out more about the suggestions they offer. To that end we look forward to the club replying to the report in full and challenge all supporters to also get involved as this project develops.

Yours in Rangers,

Stewart Franklin GersnetOnline.co.uk



### Article One: 'Why Fanzines Matter'

(Author: Professor Chris Atton - Napier University, Edinburgh)

It is easy, perhaps too easy, to dismiss fanzines. Some consider them as the inconsequent ramblings of obsessive's with too much time on their hands. Others feel that they are vehicles for wannabe journalists who cannot make it in the professional media. With so many fanzines available on the web, some believe that the level of discussion that takes place on fanzine sites rarely rises above that of the gutter.

As an academic I have been researching fanzines for over fifteen years. My work shows fanzines in a very different light. I have read thousands of these amateur publications; I have talked with their editors, their contributors and their readers. And I have learned that fanzines play an extremely important role in the cultural life of a nation.

The fanzine deals with popular culture, such as football, music, films, television and genre fiction. By its very nature, popular culture is enjoyed by ordinary people – its audiences do not need any special qualifications to appreciate it. In this respect football fans (for example) are no different from sports journalists. Simon Frith, Professor of Music at Edinburgh University, argues that 'critics of popular forms need know nothing about such forms except as consumers; their skill is to be able to write about ordinary experience'. In other words, the 'amateur' fan has the potential to write about their experiences of football just as expertly and just as knowledgeably as the football commentator. The football fan is just as likely to offer a detailed analysis of a game, of a team or of an individual footballer as is the professional journalist. That fan is likely to draw on a wealth of accumulated knowledge, comparing games that have taken place that same day, comparing games and players historically, examining the local game as well as the European competition.

These analyses do not take place in a vacuum, however. Simon Frith goes on to say that music fanzines provide a space where a 'democratic conversation [takes place] between music lovers, a social celebration of a particular kind of musical attention and commitment'. The same is true of the football fanzine. I would add that the conversation in fanzines is 'democratic' because the knowledge and authority on which it is based come not from formal education or professional training but primarily from untutored, amateur enthusiasm. The development of online fanzines makes this conversation even more intense: no longer to contributors have to wait till the next issue to have their opinions read, nor wait till the issue after that to read the reaction of others. The online fanzine is valuable not only to local fans. It enables fans scattered across the country – even the world – to participate freely in this conversation.

There are negative aspects to this freedom, of course. Much attention has been paid to the display of sectarianism on some football fan sites, and with good reason: hate speech must not be tolerated. But we must remember that the majority of fans do not engage in this shameful activity. More importantly, perhaps, all the football fanzine editors I have spoken with over the years have expressed their strong antipathy to such speech: they do everything they can to prevent it and nothing to encourage it.

Sectarian behaviour comes from a misguided sense of loyalty to a club. That loyalty, however, is more often put to much better use, to create a community. Fanzines are produced by amateurs, by non-professionals. They offer great potential for democratic participation. Rather than media production being the province of elite, centralised organisations and institutions, fanzines offer the possibilities for individuals and groups to create their own media 'from the periphery', so to speak. But this is not to think of fanzines merely as cultural aberrations or marginal activities: the football fanzine can be central to an especially powerful form of community. The loyalty of fans to a club does not end when the full-time whistle blows. Their loyalty extends to an interest in how the club is run, the facilities it offers and how it manages its finances, even to the price of the match programme. Football fanzines are often places where the corporatism of the big clubs is critiqued, not out of a sense of disloyalty or disruption, but because fans care passionately about the game. For them money should not be the primary concern (though all will concede its importance). Pinned above my desk I have a clipping from the Celtic fanzine Not the View that captures this attitude perfectly:

"The problem with having the club run by financial investors is that when they look at Celtic they see only a bunch of assets which make money. When we as fans see Celtic, however, we see something unique and magical."

Replace 'Celtic' with the name of your favourite club and you would probably agree. Views such as this can make for uncomfortable reading in the boardroom. Fans, though, have invested heavily in their chosen club, financially (season tickets do not come cheap) and emotionally (this is their passion,



### Article One (continued)

after all). They might not be actual shareholders, but they have a very significant stake in what they consider to be 'their' club. The fanzine is able to bring together this community of fans who care, the better to give them a collective voice.

Whether it gives a voice to individual opinion or to collective commitment, the football fanzine offers fans the opportunity to engage with – and perhaps improve - aspects of popular culture that are central to their lives. (Who was it who said that football's not a matter of life and death, it's important than that?) In a world where so many of our experiences seem to be mediated by professional critics, where we seem to be constantly told what to like and how to like it, the fanzine is where ordinary people can engage with popular culture on their own terms, finding their own pleasures for themselves and engaging socially in the cultural life of their country. That is why fanzines matter.

#### About Prof. Chris Atton

Chris Atton is Professor of Media and Culture in the School of Arts and Creative Industries at Edinburgh Napier University. His research specialises in alternative media, and he is the author of four books, including Alternative Media (Sage, 2002) and Alternative Journalism (Sage, 2008), as well as over fifty articles and book chapters. He has made special studies of fanzines, popular music journalism and the media of new social movements.

### Article One Analysis

#### Main points of debate:

- Fanzines (online or print) form an important part of football culture.
- Supporter opinion is just as (or more) informed than any professional view.
- Fanzine contributors could be considered more loyal and passionate than other fans.

#### Inherent problems:

- Occasionally offensive output can occur in such areas.
- Recipients of fanzine criticism can become annoyed with ever-present criticism so dismiss it too easily.

- Club works with fanzine editors to understand content and use it in a positive sense.
- Club investigates providing their own online fanzine which is less sanitised than other official publications.



### Article Two: 'Improving the Match-Day Experience'

(Author: Stewart Franklin)

I doubt any Rangers fan would disagree with me in saying that in recent years the overall experience of attending a home match has steadily worsened. Not just from an atmospheric point of view but the overall quality of the experience. Poor quality catering, aggressive stewarding/policing, lack of atmosphere, aging stadium, poor facilities outwith the stadium, awful shop, lack of security in the locus, terrible sound system, broken jumbotrons – we could be here all day, so I'll stop there.

OK, criticisms made; how can we improve; how can we set the standard?

Let's start at the beginning and go through a typical match-day. Personally, like thousands of other fans, I go to most games along with a few mates. We live well outside of Glasgow so we leave early to ensure we miss any traffic problems and get through early enough to enjoy the afternoon. We have a few hours to spare and money to spend so what's on offer once we arrive? An official Rangers restaurant/café selling reasonably priced food – no. An official Rangers pub selling quality beer with organised entertainment – no. A museum where we can take our children, learn more about the club and educate away/foreign supporters – no. A few spacious shops with a range of different products relevant to the club – no. Entertainment and comfortable facilities inside the ground to get fans in early and build up the atmosphere – no.

What do we have at our disposal then? A couple of burger/pizza bars and vans with no association to the club. A few local pubs – full to capacity - with only one or two accepting children. No museum to find out more about the club. One medium-sized, over-full shop with no space and a minimal effort at providing merchandise. A dirty, aging stadium with over-priced tepid food and minimal effort to entice you in early. Is it any wonder we have thousands of people milling around the place looking lost and bored? Welcome to Ibrox indeed!



Now, I do think it would be unfair to suggest the club don't recognise some of these issues. Recent improvements have been made: the stadium has been cleaned and painted in parts; Bar72 seems to be popular (if unaffordable for most bears); reports have been made into further extensions; corporate hospitality is adequate; and the club have tried to mimic singing section displays on the odd occasion. Unfortunately, this is as far as the budget seems to reach. But finance alone surely isn't the only problem here?

After all the stadium catering is already outsourced for what I assume is an acceptable fee. Why not do the same with other services? I'd be surprised if certain pub/restaurant chains wouldn't be interested in a development outside Ibrox. Argyle House already seems to do good business so imagine

a larger version of that open most days which incorporates a museum. I'm told the Hampden football museum cost less than £2million to build and recouped the money within 18 months. For a wee bit more, surely we can put together the kind of finance to offer something similar and better?

I also know the current administration views the stadium (e.g. the blue room//trophy room/changing rooms etc) as a museum in itself. Of course a tour should be part of any package but surely it can be based in a stand-alone building to maximise revenue? Attach a good value restaurant/pub then we have a museum that caters for all and would be an excellent daily tourist attraction – never mind a suitable supporter hub on match-days. The refurbished 'Wee Rangers Club' has shown what can be done on an affordable budget. Rangers should be able to do even better. The stadium corporate hospitality generally seems well thought of but a lower-price, more accessible alterative is undoubtedly required. To coin a phrase: 'build it and they will come'.

Moving inside the stadium, again communication with the fans should be paramount. We pay upwards of  $\pm 400$  a season;  $\pm 23+$  a game for our tickets so surely our opinion counts? Yet, when are we ever asked to contribute - other than surveys to see if we'd pay double the price for a leather seat with small screen to bet? The club is often at pains to describe us as customers; so more chance to offer feedback would be nice.



### Article Two (continued)

Related to this point is the one of security. All too often now overzealous stewards and police appear desperate to confront fans for the smallest of things; harmless banners, gesturing to opposition supporters, swearing or singing the latest non-politically correct chant amongst other trivial issues. Fair enough, football isn't just about tribalism and stressed working class men but neither should it be sanitised to the point where people are being driven away. There is a fine line so why not ensure it isn't crossed via dialogue, regular meetings and assisting the general public with information on the alleged crimes they are supposedly committing? Not to mention actually ensuring our property is safe while we do watch the game. Just how far is Helen Street police station from lbrox again?

First point of contact in this situation should be the singing sections and fan groups. From the Blue Order to the Club Deck Loyal to the Union Bears and the East Enclosure sections; there are a range of fans ready and willing to work with the club security (and each other) to find common ground. Yet, we have them dotted around the stadium minimising the effect they have. Surely, one large singing section would be more agreeable? Obviously it might not be easy to find a suitable location given many fans wouldn't want to move but it could be investigated. As should a standing section *ala* teams in the German league. Make the singing section a focal point – not a dot at the back of a stand suggesting they are an inconvenience or an embarrassment.

All the above isn't rocket science. It is just a general outline of where improvement could readily be found on an affordable, exciting level. I'm sure we all have our own ideas which could be put forward. I also appreciate some of the difficulties within these suggestions – cash flow; space; staffing; time etc etc. However, these obstacles are far from insurmountable and we should assert ourselves to face these challenges and improve.

Rangers FC led the way in stadium development last century and lbrox Stadium is still a place we can be proud of. But it's not perfect and, coupled with the overall drab experience, the club are testing the patience and loyalty of fans by offering a product that, with every passing season, seems poor value for money. As we enter a worldwide two year recession, attempting to retain over 40,000 season ticket holders will take more than a lukewarm burger, a wet seat and a policeman desperate to arrest you for the temerity to back your team.

In conclusion, the club should commission and facilitate a review of the match-day experience based on research and best practice elsewhere in the UK and beyond. Of course, supporters groups could lead this and, as we're doing via this project, provide initial feedback to the club, leading to prioritisation and feasibility studies etc.

The standard must be set. Improvement must be sought. It's time to welcome the supporters back to their home.

### Article Two Analysis

#### Main points of debate:

- Match-day experience needs great improvement in several key areas.
- Thousands of fans congregate outside stadium but are not serviced effectively.
- Several suggestions of entertainment made within article (such as museum and improved hospitality choices).
- Fans are worried about media misrepresentation which is causing stewarding/policing problems.
- Singing sections should be accommodated more effectively and used as focal points.
- Develop the multimedia aspect of the experience (e.g. mobile phone and wi-fi innovations) in conjunction with 'Jumbotron' screens/advertising hoardings.



### Article Two (continued)

#### Inherent problems:

- Costs of new/upgraded facilities would be high.
- External economy problems may minimise interest in new facilities.
- How would such facilities attract visitors out with match-days?
- Are club prepared to challenge supporters' misrepresentation more forcibly?
- Would fans pay more money for better facilities?

- Club to fully investigate methods of improving ticketing methods to allow groups of fans to sit together.
- Club to liaise with Scottish National Football Museum to investigate own project.
- Club to investigate private partnership for in-situ restaurant/bar franchises.
- Club and football/policing authorities provide full proscribed song/chant list to minimise behavioural problems.
- Club to commission generic match-day experience review in conjunction with supporters.



### Article Three: 'Showcasing Our Unique History: A Rangers Museum'

(Authors: Graham Cairns and Richard McBrearty - Curator of the Scottish Football Museum)

'The Scottish Football Museum exists to promote the unique football heritage of Scotland, to build and maintain a national football collection, and to educate and inspire future generations.'

The above is the mission statement for the Scottish Football Association Museum Trust which through hard work and dedication has opened the impressive Scottish Football Museum at Hampden. Richard McBrearty (Curator of the Scottish Football Museum) kindly supplied detailed information that is used within this article and we are indebted to Richard for taking the time to add his input to this article and project.

The above mission statement rings true when showcasing Scottish Football and the same could be said for Rangers' uniqueness, while having our own museum is something that I know some fans have been suggesting for many years now. I believe that the first time I personally became aware of the need for a Rangers museum was after the tragic death of Davie Cooper. Many Rangers fans at the time rightly stated that a Rangers Museum would be lasting and fitting tribute to Davie Cooper. The idea of a museum has been muted and discussed at various AGMs, but as yet, there has been little, if any movement on this front.

If you have been lucky enough to have visited the lbrox Trophy Room you will know that there are many unique, interesting and quirky exhibits that deserve to be showcased in a dedicated museum – the 'Loving Cup' instantly springs to mind. Indeed, the club feel that the stadium is a museum in itself and while that opinion has validity, we could build upon the existing tour by providing new stand-alone facilities for such an initiative. This existing tour has positive feedback but there is no doubt improvement, as always, can be sought.

The best stadium tour that I have ever undertaken was the tour of the Santiago Bernabéu Stadium in Madrid. Not only does this take in the wonderful Real Madrid museum, the tour is unique in-itself as there are no dedicated guides for the tour, you pay your money and allowed access to the stadium and complete this at your own leisure. All the exhibits on the tour and in the



museum are showcased in Spanish, German and English. Real Madrid's museum is also interesting as it isn't solely a footballing museum. Real's basketball team are also well represented in the museum as are other sports like tennis and athletics.

The history of the club is told as you wander through the museum and this is done in such a way that you leave the museum with all the historical information that makes Real Madrid the institution that they are. At the end of the museum, which takes up the majority of one stand, is a tribute wall that lists every player ever to play for Real Madrid and they are separated into the countries of their birth. There has only ever been one Scotsman to play for Real Madrid, a certain John Fox Watson (1948 – then player/coach) and is credited as being the first British player to play for Real Madrid.

The Bernabéu model is an example that Rangers could follow. Ibrox Stadium whilst being the famous home of Rangers Football Club has also housed various other events over the years; from the annual parades of the Boys Brigade and Orange Order to the Rangers Sports Days that were a highlight of the sporting calendar in the 1950s. There is some wonderful footage of the sports days on 'YouTube' and they did draw impressive crowds to Ibrox. All this information, photos and memorabilia will be currently lying around Ibrox somewhere gathering dust. We do have an unofficial publication, 'The Rangers Historian' that details our glorious history and Robert McElroy as well as the Club Historian David Mason would be ideal supporters' representatives on any museum project. Ex-players, such as Sandy Jardine who is, according to Richard McBrearty, the Rangers representative on the 'Scottish Football Heritage Network' and has done a fair amount of work for that organisation, should also be included.

There are also on-line resources that the club could use to supplement their official records. The Manchester Utd Archive site, the 'Stretford End' is a fantastic example of how fans' hard work, dedication and love for the club could be used. Of course, we have our own unofficial and less complete Rangers Archive which is another empirical example of how much can be achieved without financial input.



### Article Three (continued)

Richard McBrearty does warn that the idea for a museum would be hard to sell to the club as a money making scheme as very few museums actually do make a profit - Barcelona and Man United being the exceptions to the rule. Man United's museum was making profits in the region of £200,000 while the Barca museum has generated over 2 million visitors a year as a direct result of it being on the official tourist route. The same can be said of the Bernabéu and, as a result, all tourist buses pass and stop directly outside the stadium. I have to admit that I haven't managed to ride the Glasgow Tour Bus so I don't know how close to Ibrox these go. If they take in the Science Museum then it wouldn't take much to persuade Glasgow City Council to get the buses to go an extra mile to Ibrox?

Of course, building a museum, filling it and making it successful doesn't happen overnight. The Scottish Football Museum was discussed as early as 1990 as a concept that could work. Richard's words give an indication of how long a process this can actually be:



'In 1994 the Scottish Football Association Museum Trust formally opened temporary offices and an exhibition space within Glasgow City Council's Museum of Transport. The long term ambition of the organisation was to build a permanent space within Hampden Park, Scotland's National Stadium, which was undergoing a substantial redevelopment between 1990 and 1999. The SFAMT remained at the Museum of Transport until 1999.'

Richard continues, 'With the completion of Hampden Park, the SFAMT moved out of the Museum of Transport and leased, on a temporary basis, stores and office space in the north of Glasgow. The process of creating the permanent exhibitions within level two of Hampden's south stand was also commenced. The museum had a soft opening late in 2000 allowing corporate tours to take place. In May 2001 the museum opened to the public'.

'With the successful opening of the museum in 2001 work commenced on creating offices and stores within the museum complex at Hampden Park. The office space was completed by the beginning of 2002 and in 2004, with the opening of storage facilities at Hampden, the office and stores were closed down in the north of Glasgow. Since 2004 the museum has had all of its facilities concentrated within the south stand at Hampden Park. Exhibitions of note included the UEFA Champions League Exhibition in 2002 and the Hampden Centenary exhibition in 2003. In 2004 the museum created the Scottish Football Hall of Fame within its exhibition space and in 2005 the SFAMT became the first museum in Glasgow to be awarded the prestigious five star status by Visit Scotland. 2006 witnessed the museum take part in its first major international exhibition. As a partner of Hamburg's Museum für Völkerkunde the SFAMT assisted with the creation of a major World Cup exhibition'

'Seven years after first opening within Scotland's National Stadium the museum in 2008 the museum was awarded accreditation by Museums Libraries Archives (MLA) as a 'non government funded national museum' Having consolidated its position over the last few years the future plans of the museum are ambitious and expansive. The strategic aims of the SFAMT are aimed therefore at improving access to collections, extending the museum's profile, enhancing education facilities, adding to and caring for the collections, improving the visitor experience, increasing visitor numbers and improving the financial base of the museum'.

The above work ethic gives an indication of the level of commitment, dedication and passion that is required to have a museum functioning from the initial concept. Of course, a museum doesn't have to be limited to the attendance of the fans of the club in question. I have personal experience of how successful schemes like 'Ready to Learn' have been. An acquaintance was a teacher for one of the first schools invited to lbrox for the 'Ready to Learn' scheme. The school was a local Catholic School and after completing the scheme, over 50% of the class had been converted into Rangers supporters and are still regulars at lbrox. Therefore, the museum could play an integral part of any future similar projects and if marketed and advertised



### Article Three (continued)

properly could generate visitors from all over Scotland, the UK and Europe as part of school trips etc.

Another opportunity given our history and traditions would be to tie in with organisations such as the Boys Brigade and invite them to the museum that would contain historical information relating to the Boys Brigade Parades that have graced lbrox. Another missed opportunity is the current 'Homecoming Celebrations' that will see hundreds of thousands of visitors to Scotland this year - something that Rangers, as Scotland's premier and most successful club should be tapping into. Rangers should have had representatives and exhibitions etc lined up and included in the official celebrations as opposed to one 'Scotland Day' at a one-off match earlier this season.



To those that think such an initiative isn't possible, Richard states that a few other Scottish clubs are at varying stages of having their own museums with

Celtic's visitor centre receiving up to 30,000 visitors per year. The most advanced museum project though is the Hibernian FC Historical Trust which has created displays at Easter Road and is a member of Museums Galleries Scotland (MGS). Aberdeen FC is now going down this route as well.

Any Rangers museum could be a wonderful attraction given the unique nature of our club. From its humble beginnings on Flesher's Haugh (on Glasgow Green) where four young held a shared dream of creating a football team – at this time they had no money, no kit, not even a ball. Their dream became our reality and we are now the most successful domestic club in the world with a decorated history that is steeped in tradition. This surely deserves to be showcased, celebrated, presented and sold to the world and this could be achieved partly through the medium of a museum. From our founding fathers; through Mr Struth; through overcoming various disasters and the tragic loss of fans; to Barcelona and the unmatched numbers in Manchester last year; our club has fascinating tales to be told and a museum is the only way for these memories to be shared and ensure that they are not forgotten.

In conclusion, any museum may well require substantial investment from initial set-up costs and ongoing overheads to good old hard work and dedication. However, that isn't a valid excuse for not investigating such a worthy project and, as is happening at Hibs and Aberdeen, engaging with ex-players and interested supporters to move forward. Unfortunately, Sandy Jardine's new scouting role may mean any proposed head of a Rangers Historical Society should be someone with a bit more time to spare. Fortunately, we have dozens of legends capable of doing this job and many with the time to spare. Let's utilise the oft talked about Rangers Family to ensure accuracy and quality!

Such a project may take years to complete but it is time we made a fresh start and celebrated our club's history in a manner befitting our status as one of Scotland's best known and most prestigious institutions.

### Article Three Analysis

#### Main points of debate:

- Existing trophy room and stadium tour need to be expanded into a proper museum.
- This should be based in the Bill Struth Stand or in self-contained building.
- Successful museum projects such as Hampden and Camp Nou should be examined.



### Article Three (continued)

- Online aspects would also be important to project.
- Finance and dedication would be required to make project successful.
- Club needs to work with former players and interested fans to investigate further.

#### Inherent problems:

- Costs of such facilities would be high.
- Making a profit is not guaranteed.
- How would a museum attract visitors out with match-days?

- Club to liaise with Scottish National Football Museum to investigate own project.
- Club to study existing successful foreign models.
- Club to found new 'Rangers Historical Society' made up of former players and committed fans.
- Club to investigate any sources of external funds and help from local authority sources.



## Article Four: 'Selling Rangers to the World' (Authors: Robert Boyle and Lee Fitzgerald)

Football is not just about the trophies or the glory anymore: money is as big a part of the modern game as success on the field. It is what keeps clubs afloat, allows them to buy the players and to improve the facilities for those players and the supporters who follow the club. It is these supporters who collectively provide football clubs with much of the revenue needed to achieve these goals. Rangers Football Club are well aware of this fact and know that the unwavering loyalty and devotion shown by us supporters can be exploited through the sale of merchandise and memorabilia to increase the yearly turnover.

If ever there was a more critical time for this loyalty to be utilised, it is now. The club is enduring a period of financial insecurity after two consecutive summers of big spending coupled with failure to make the group stages of the Champions League this season and the £10 million cash incentive that coincided. In January, David Murray was forced to admit that all offers for our big-name players would be considered due to our financial predicament. These are tough times, but is the club exploring every avenue of generating income? What of our merchandising revenue?

The Rangers support is vast; you will find Bears in all corners of the world that are devoted and loyal to their club. Around 200,000 of these supporters descended on Manchester last season for the UEFA Cup Final, an unprecedented number of people actively following a football match. That single event served as proof of the enormity of the Rangers fan base, and the truth is that most of these fans would have come from the United Kingdom alone. Think of the thousands upon thousands of others who would have packed their local Rangers or Scottish bar in the cities of Canada, America and Australia to watch their beloved team contest a European final. What I am trying to emphasise here is that with these great numbers comes great marketing potential which sadly isn't being explored.



On the 9th of March 2006 Rangers Football Club signed a ten year licensing agreement with JJB Sports PLC. As contained within a press release from the sportswear distributor, it was announced that JJB would; "...design, develop and source all Rangers merchandise throughout its substantial network of 439 stores".

Also ||B was tasked with the "maintenance and order fulfilment of the Rangers online retail facility where Rangers product will continue to be sold". The deal was struck and an initial payment of £18 million was paid to Rangers on the 6th June 2006. This is accentuated by a minimum annual royalty of £3 million which is then added to if sales thresholds are met and exceeded. The deal was put in place just as Alex McLeish's tenure at Rangers was running out and the arrival of Paul Le Guen was looking more likely. The deal, brokered by Sir David Murray and Martin Bain, meant that 18 club shops were closed, leaving somewhere in the region of 200 Rangers workers unemployed.

But what has the deal brought to the club? Surely it is a good thing? On paper it is a guaranteed minimum £48 million pounds until 2016, rising if we meet certain sales targets. But upon closer inspection of the 2008 accounts, it can be seen that we cannot have met these thresholds as we were only paid the minimum of £3 million. In a year where we pushed to a European final and brought 200,000 fans to Manchester, when will there come another time where there will be more replica jerseys sold? If we didn't meet the targets then, will we ever within the 10 year deal?

Another consideration that needs to be discussed is whether IJB are actually keeping up their end of the deal. How many IJB stores have you been into recently that have a good breadth of Rangers products to purchase or have made their Rangers merchandise clearly visible? The club themselves have admitted []B are not doing a good job but have, as yet, been unable to help them fix any perceived problems.



Problems of JJB mismanaging the deal could have been prevented. The conspiracy theorist in me might make the point that JJB are not pushing the Rangers merchandise as they do not want to pay more than the minimum payment to the club. But that is merely conjecture, we will never really know.

But what could not be legislated for was the financial crisis which has been thrust upon our country. JJB as a company was no different and is facing the prospect of closure. Now I would not claim to know the inner workings of what would happen should this occur. But it would seem that if it were the case, Rangers would need to have a Plan B.

Would we go back to handling our own merchandising and sales? Perhaps it would be a blessing in disguise if the deal with JJB was vetoed – allowing us to reanalyse and come up with a new innovative strategy.

Although the JJB deal has been a bonus for the club financially, I do not feel that the small increase of annual profit from our merchandise sales in the UK since the deal came into fruition is enough to justify the loss of the Rangers name from the high street, or the reduced range of merchandise available. Yes, there is a wider range available online but the fact is that most supporters still prefer to shop in the high street, as do most consumers in general. People feel a sense of pride and excitement when we purchase something we can take home. That is somewhat lost with internet shopping.

Therefore, as has been said, the club must either cut our ties with the failing retail chain or negotiate a deal with one who will promise to make Rangers supporters feel like they have a place to come and buy a wide range of merchandise and regalia. Or else reinvest in introducing the traditional Rangers superstores back onto the high street. Sometimes you have to take one step backwards to come two steps forward.

Let's have a look at how our deal is affecting our supporters - at home and abroad.

Unsurprisingly, the top two clubs, Real Madrid and Manchester United made a whopping £102 million and £64 million respectively on commercial revenue. It would be unrealistic for Rangers to ever dream of competing with those figures in the short term. But clubs lower down the league, such as Tottenham and Manchester City are also streets ahead in the commercial and merchandise department. Tottenham last year generated £9.7 million in merchandising sales alone, while Manchester City, bottom of the rich list, bagged £7.8 million. Both of these clubs have a substantially smaller worldwide fan base than Rangers, yet are generating almost treble the amount of merchandising revenue. This cannot just be down to these clubs having the prestige of playing in the English Premiership with its endless popularity all over the world. Do these clubs have ingenious marketing structures which allow them to make more profit than they otherwise would from their fan base? Are they doing so by enticing neutral football supporters to buy their products? Or are Rangers simply neglecting our own massive support by not providing them with the opportunity to buy Rangers our product? Shall we ask the supporters themselves?

Starting from South of the Border in England, you would expect there to be an abundance of Rangers merchandise given the large amount of JJB stores in the country. This is what an English Rangers fan had to say:

"I couldn't even get the home shirt in JJB this season until about September. The away and third shirts were never available. Anything we English Bears need, apart from the home shirt, has to be obtained either from the club shop or the official site online shop."

It seems that JJB are proving to be just as poor in providing a good range of Rangers merchandise in England as they are in Scotland. The recent UEFA Cup Final where a great many English Bears looking to purchase Rangers kits for the big day, were told that there was no stock, shows that JJB are not supplying to satisfy the demand.

Outside of Scotland, there are more Rangers supporters in Northern Ireland than in any other country in the world. Historical associations over the years has created a unique situation where thousands of Ulster men and women support the Light Blues and travel in vast numbers across the Irish sea every week to lend their support. Here is the opinion of two such Rangers fans from Northern Ireland on the issue:





"In Belfast we used to have a Rangers superstore, but like everywhere else they were replaced by JJB. JJB stores in Belfast started off with rather large RFC sections, but they have shrank down as time has passed, and now they rarely carry an more RFC stuff than say Man Utd etc.

Celtic still have a megastore in the city centre whereas the availability of Rangers stuff is much more scattered and fragmented.

I do notice in Glasgow the JJB stores make much more of an effort to provide a 'Rangers section' than here in Ulster, but even in Glasgow I would say it's a far cry from a Rangers store. I would say that in the high street, since the Rangers store closed, the lines available to buy over the counter have reduced by at least 75%.

The merchandise that the Rangers shops carried such as DVD selections and leisure clothing is almost totally gone. In short, it is internet only for anything much more than a full strip."

Yet another example of JJB failing the needs of Rangers supporters then? There is not a great range of merchandise available, even in the Glasgow stores, and it is apparent that in Belfast there is less still. This is the same situation across Northern Ireland:

"I find that Rangers merchandise isn't as readily available here as it is in Scotland, although it's still easy enough to go out and buy a strip at certain shops. I know of one small retail shop in town that sells Rangers jewellery but you'd be hard pushed to find anything else. There's a Celtic shop in town, and you're far more likely to come across their merchandise here than anything else.

In saying that, I am from Londonderry, the town is mostly occupied with Catholic residents and the waterside with PROTESTANTS, the Waterside doesn't have half as many shops, so it's understandable why it's hard to find anything in town. There is no reason there shouldn't be one in the Waterside. There is a JJB store, but there isn't much in it. For all I know Belfast or other places in Northern Ireland may have more products available, I just don't shop up there often."

Of course, in Northern Ireland the JJB deal also applies and therefore, like Scotland, there are no Rangers club shops. But it seems that there is also a lack of Rangers merchandise on offer despite the large Rangers support and relative ease of shipping merchandise across the Irish Sea. The club are not doing enough to provide supporters with official club merchandise in Northern Ireland and are subsequently missing-out on a great deal of revenue in the process.

In Canada there is also a very strong Rangers fan base, most member clubs of NARSA (North Atlantic Rangers Supporters Association) are indeed RSCs from Canada. Is there a good range of Rangers merchandise available to Canadian Bears?

"At the local level, I have never seen a single piece of Rangers merchandise in a store in Edmonton. Others who have been here longer than I have may have seen some once or twice, but I never have. You can get Celtic tops here though if you hunt around. In other cities, I have occasionally seen Rangers shirts, but less frequently than their Celtic counterparts. The range is terrible, where there is anything available at all.

The club should give the fans the sense that they matter. Get a shirt deal going with 'SportChek' or someone here in Canada so I can buy the shirts easily. Or at the very least have it so I can shop online here without paying an import tax on a shirt that is already costing me in pounds, not dollars."

So in Edmonton at least, it seems that Rangers don't exist. There is no club merchandise available anywhere in the city. Not good enough when you consider that the city is home to Rangers supporters who would be more than willing to by Rangers merchandise if they could find it. What of elsewhere in Canada?



"The fact is that Rangers items are very hard to come by here. You walk in the shops here such as Foot Locker and other major retailers and you see nothing from Rangers. In saying that, Celtic is well represented. As is the likes of Man U, Barcelona and AC Milan.

For a continent such as North America where there are thousands upon thousands of Rangers fans, the ability to pick up items is poor. Furthermore, when items are here, they are extremely pricey. For my last in Canada purchase I had to go to the Umbro catalogue and order from them because I knew a guy at the one store. Not a simple job.

In my opinion, they should allow RSCs in North America to be able to sell the merchandise at UK cost levels. That would make sense to me."

So this problem of Rangers merchandise being extremely rare seems to be an all too common story in Canada – and what little that there is available proves to be very expensive by UK standards. The above contributor makes a very valid recommendation too. Allowing NARSA registered clubs to import the merchandise in bulk and sell to their members is an interesting suggestion which will be explored later in this article.

This lack of merchandise seems to stretch across the border into the United States where the legions of Rangers supporters there too are finding it near impossible to find Rangers clothing:

"I cannot pick up any RFC merchandise in any of our local sports stores. Our largest store, 'Sports Authority' have never stocked Rangers items. The best that most of these stores can do is point you in the general direction of specialist European football stores which are very few and far between. Even there, you are not guaranteed to find Rangers items."

There is a common theme occurring here - buying Rangers merchandise anywhere outside of the UK is close to impossible unless you are willing to pay over the odds by importing it from Scotland via JJB or the Rangers online megastore. Will switching to the other side of the world by getting an Australian supporter's point of view provide some much-needed positivity on the issue?

"Well I generally don't buy Rangers shirts here. For one there aren't that many in sports stores. They are available but compared to the number of Celtic jerseys they are scarce. They're also quite expensive over here so I just get my relatives in Scotland to buy them and send them to me. That's cheaper than using the JJB site.

There is quite an extensive Scottish population in Australia who mostly support either Rangers or Celtic so I think it would be worthwhile for Rangers to open at least one superstore in this country.

Football is actually taking off in Australia with the new A-League and the international side becoming part of the Asian region and doing so well. It could be worthwhile for Rangers to do a tour of Australia and play some friendlies against the A-League sides to further promote the club. Setanta has done a deal with Foxtel (main cable TV provider) to use their satellites and this is mainly due to people who wanted to see the SPL so the market for the Scottish game is definitely here to be tapped into"

Evidently the same story is appearing the world over. Little or no Rangers merchandise to be found outside of the UK. This is absolutely criminal for a club our size to have such a poor marketing strategy. The demand is clearly there as our last contributor demonstrated. Football is becoming a major sport in Canada, America and Australia and a large Rangers support exists in all three countries. Yet the club seem reluctant to tap into this. Interestingly though, Celtic have announced they will play a pre-season friendly in Australia this summer."

There are various ways in which Rangers Football Club should look to improve their marketing strategy both at home and overseas.

Firstly, JJB are clearly not holding-up their end of the bargain. The company is in serious danger of liquidation and is not providing a good range of Rangers merchandise in comparison to the former Rangers club stores. Indeed it could be argued that we are not making enough of a financial profit from this deal to justify the decrease in market standards. Therefore the club should either look to negotiate a deal with another high street sports store



who will guarantee to provide a better range of merchandise, or simply revert back to the old system of having multiple dedicated Rangers stores across the country. Thus the name and logo of Rangers Football Club re-appears on the high street and the initial flurry of supporters looking to discover the new stores will create good revenue, even if that will only be short-term.

The same method should be applied throughout the UK where there is demand. Cities like Belfast, London, and Liverpool would all benefit from having a Rangers megastore.

In North America there is already an organisation in NARSA which has the power to bring together thousands of Rangers supporters either through local RSCs or the highly popular annual conference. The club could approach both the NARSA community in order to establish ways of importing merchandise which will be easy for Rangers supporters to buy. Bulk buying discounts and RSC distribution arrangements could be utilised to ensure success. In Australia, ORSA and the local RSCs, although not as many exist, could be given these same opportunities.

The club could also engage with the local sports retail chains in these to establish trading links whereby they are willing to have plenty of Rangers club merchandise imported. With football becoming such a popular game in these countries it would be beneficial for the club to exploit this trend and make money and possibly new supporters from it. Why not also show some invention and adapt our merchandise to the climate of the country? Residents of Australia are hardly going to be responsive to buying padded Rangers training jackets and raincoats in such a sun-scorched country. Rangers beach towels, Sun hats, baseball caps etc. etc. would sell much more. The possibilities are endless.

Of course it would be unreasonable to expect there to be Rangers merchandise at a local level all over the world so this is where the club must embrace the internet much more than it currently is. The current online megastore does not offer value for money for supporters or customers outside of the UK. It is also not a swift and reliable delivery service which is why many overseas supporters are relying on family or friends to send them the latest gear rather than buy from the online club shop. Many British clubs such as Chelsea, Manchester United and Liverpool have deal with international export companies who are paid to handle the delivery of all club merchandise around the world at a speedy and reliable rate. Rangers should look to make similar deal if we are to maximise our selling potential. The cost of a quick, reliable courier service will be more than expendable given the revenue we will earn from satisfied customers.

In conclusion there is no doubt that Rangers' current marketing strategy is failing both the supporters and the club itself. In times of financial trouble we should be looking at initiatives to improve our income and with there being an apparent unsatisfied demand for Rangers merchandise all over the world, there is an ideal opportunity to gain revenue from this.

The club should work with RSCs and Supporters organisations around the globe to develop measures in which the demand for merchandise is satisfied and also to open new markets. The supporters in each country can provide the club with good knowledge of the local markets that can be used to our advantage. It is not an impossible task, we have a fan base to rival any of the major clubs in the world but we simply don't have the vision to exploit it.

Now is the time for vision and constructive dialogue between the club and the Rangers support to build towards a more profitable future where merchandise is available to all whom desire it.

### Article Four Analysis

#### Main points of debate:

- Existing Rangers retail activities require improvement especially for overseas fans.
- JJB deal may be financially lucrative but it is failing on the 'shop floor'.



- Do we have an alternative in place if JJB's financial problems continue?
- Merchandise availability is poor at home and abroad (comments from England, Northern Ireland, North America and Australia all sources of ex-pat interest).
- Could existing supporter networks (e.g. NARSA and ORSA) be utilised to complement existing agreements?
- Is range of merchandise wide-enough?

#### Inherent problems:

- Is club restricted due to existing retail arrangements with Umbro and JJB?
- Do we have enough ex-pat supporters to make investment worthwhile?
- Upkeep of 'in-house' retail stores is expensive.

- Club to liaise with JJB and Umbro to investigate improvements to existing deals.
- Club to look into working with supporter networks to distribute stock.
- Club to detail alternative arrangements in event of further JJB financial problems.



### Article Five: 'Redeveloping RSC Links with the Club'

(Author: Richard Cleary)

I would like to discuss the role of Rangers Supporters Clubs (RSCs) in today's game, the links between them and the club, and how we can get the best working relationship between them.

At the moment, all official RSCs are registered at Ibrox through the Worldwide Alliance (WWA), with claims of over 600 registered clubs and a membership of 30,000 supporters. From within this comes the Rangers Supporters Assembly, with 10 elected representatives taken from the Worldwide Alliance.

There is also the Rangers Supporters Association, the much longer-standing organisation which used to distribute tickets to RSCs for matches both at lbrox and away from home. Sadly, this has diminished much in recent years, forcing it to sell their headquarters within the Wee Rangers Club to pay off it's debts and now has only around 20 member clubs.

RSCs take many shapes and forms throughout the world. From the many Glasgow based clubs with decades of history behind them and a million stories of follow following, to the many overseas RSC's that show games in clubs and pubs for exiled Bears all over the world. I personally have been a member of a Glasgow based RSC for 20 years, 10 of which as part of their committee, so I really believe in the value of the RSC and have some experience of how they are run.

RSCs in this country are mainly run with one primary function: to arrange travel and tickets for Rangers supporters to follow the team. The club's contact with RSCs throughout the course of the season almost entirely consists of ticketing issues. Most RSCs will know very little about the WWA, when it has meetings in its area, who are the area representatives, and what it is there to do for them. Outside the UK, they are mostly social, a gathering of supporters to watch the game together at all hours of the day and night.

We all know that the current situation does very little for either party. It gives virtually nothing to the RSCs and the club gets virtually nothing back from them.

The club certainly undervalues the power of the RSCs to influence fan thinking. Not only does the club have to do more for RSCs, but the reverse is also true. The best example of this was when the club was under fire in the Spring of 2007 for "The Billy Boys". The



club desperately wanted the fans to stop singing it after UEFA effectively outlawed the song. The club tried everything it could to get the fans to stop. Finally they appealed to a couple of the well known RSC chairmen to see if they could do anything. After a hastily arranged meeting of representatives of over 60 RSCs held in April 2007 in the Wee Rangers Club, an agreement was reached to get members of RSCs to "self-police" in this area. A policy that was worked extremely well and continues to work to this day.

So what changes can we make in order to set the standard in this area?

There are 3 questions that I want to look at in this topic.

#### 1. What can the club do for the RSCs?

Issue a membership card for all members of an RSC. The card gives them a small discount in the club shop, (online for overseas members) stadium tours, etc. Not too much that it costs a fortune, more a token gesture to make them feel part of the family.



### Article Five (continued)

Use the club's buying power to have deals in place with certain companies to give RSCs some good deals. Perhaps with a clothing manufacturer to give the best prices on RSC polo shirts and flags. Individual RSCs all go off and get their own polo shirts done. Let the club be part of it. The club will make a small commission, and the RSCs all get a good deal.

Give RSCs the option to seat their members together at Ibrox. This will of course help the atmosphere at Ibrox as well as binding the RSCs more together as a group.

Negotiate strongly with other SPL clubs for a larger allocation for matches. It appears we do not actually want more tickets for games as it is too much bother for us to deal with them for not much reward. This is not the standard we should be setting. We must put the interests of our fans first. Without them there is nothing. I am quite sure Kilmarnock and Motherwell for example would love to give us more tickets, even share a stand in order to get more fans to the game. For shared stands, the Rangers section would be all family tickets.

#### 2. What can the RSCs do for the club in return?

If the RSCs knew that they were getting a fair deal on tickets and that the club were right behind them, they would be far more interested in putting something back.

RSCs are well trained in running successful fundraisers. From race nights to sportsman's dinners to sponsored football matches to just selling scratchcards and much more. The truth is they have to just to survive. I am quite sure that most RSCs would happily run a fundraiser every season with the proceeds being split between their own club funds and the Rangers Youth Development programme, or the museum fund. The club would provide a signed shirt and ball for a raffle at the event, and where possible a player, former player or coach in attendance, this could be a real source of income throughout the year.

RSCs are already the club's best selling tools. Already, many RSCs are agents in the club lotto, raising large sums of money every week. This could easily be expanded upon if the RSCs thought the club were really looking after them and making them feel part of the club.

#### 3. Who is going to do all the work?

We need a new organisation that will look after the interests of the RSCs. It would be self-funding from membership dues collected from the RSCs. I would split them into two categories: Ticketing RSCs and non-ticketing RSCs. This means that the RSCs who take tickets every week are treated separately from the RSCs from abroad. The ticketing RSCs would then pay more than the other RSCs. I would suggest ~£4 per member per year for ticketing RSCs and ~£2 for non-ticketing RSCs. The RSCs would be easily able to pass this on to their members with their dues if they knew what they were getting back for it as outlined above. I would also reintroduce the Rangers Rally, which would be supported by the club and a large turnout of players, past and present, would be guaranteed.

The funds raised would pay for the salaries of the staff whose job it would be to run the organisation. It would take quite some organising to make all of the above work, but with the right Rangers-minded people employed, it would become a professional office that would be the contact for any RSC enquiries and would have its separate ticket office for the distribution of RSC tickets. It would have a committee of elected Rangers fans that would be elected by the RSCs themselves in a postal ballot to all RSCs on a one-member one-vote basis. The staff would be answerable to the committee, and the committee answerable to the RSCs at monthly meetings, and all up for re-election annually. A full record of the minutes would be sent to every club every month to keep them involved, and RSCs would be allowed to send in questions in advance of meetings without having to attend personally. A website with all the up to date information, including a private section for RSC organisers to learn of more sensitive information (financials etc) would also form an important part of this.



### Article Five (continued)

To summarise, the RSCs are such an important part of our club, our history, our heritage. Most Rangers supporters have used one at one time or another. Most have probably been to a function run by one of them. Most will have seen the banners with the RSC club names on them in various places all over the world. Personally, there is nothing better than seeing the convoy of RSCs thundering out of Dundee or Aberdeen after an important victory.

The club should be embracing this collective of (in my biased opinion) the most passionate supporters anywhere in world football, and by working together making things the best they possibly can be for the ultimate benefit of Rangers Football Club.

### Article Five Analysis

#### Main points of debate:

- The club/RSC relationship is undervalued.
- It has been proven that such fans and club can work together to achieve results.
- More should be done by the club to make RSC membership more attractive.
- RSCs could raise money for the club in return for such benefits.
- New supporters' organisation required to implement this due to failing existing ones.

#### Inherent problems:

- Rangers Supporters Association needs to modernise.
- Would fans be interested in another supporters' group?
- What happens when relations break down over difficult issues?

- Club to fully investigate methods of improving ticketing methods.
- Club to investigate failing existing fan organisations and look to revamp if necessary.
- Club to survey season ticket holders for new membership scheme.



### Article Six: 'The Rangers Scholarship'

(Author: John McCallum)

My first job was an apprentice printer, it was a small place employing about 8 or so people at that time and I was their first 'apprentice'. Times were hard then (sound familiar?) and rather than take me on I was employed through the government run Youth Training Scheme on the princely sum of £27.50 a week and £5 travelling expenses.

Part of how the YTS was sold to potential employees was that there would be college based training as well as on the job skills. This sounded good; rather than just being exploited slave labour I got 2 week stints at the Building and Printing College every month and more ScotVec modules than you could shake an inky rag at.

Eventually after a month or two my boss approached me and asked how I was enjoying college. The reality was I loved it, you didn't start until 9am, it was a very relaxed atmosphere, and you got to ogle at the hairdressers in the College of Commerce across the road. However if truth be told, I wasn't learning a whole lot about printing which was what I was supposed to be doing. Lots of theory and not a lot of practical was my diplomatic reply. My boss, who had spent his entire working life in the printing game paused for a moment and reflected on my reply and his slightly confusing words have remained with me until this day; 'Aye son', he ventured 'theory is alright in theory but when you want to learn to swim sooner or later you need to get into the water'.



The training of young footballers seems to be a thing of great difficulty for Rangers recently. Part of that problem seems to have been our reluctance to move with the times. In this day of public/private partnerships, you have to wonder why Rangers (and other clubs) haven't got a genuine tie-in with a local school. A residential aspect to youth

development is common place on the continent where boys are schooled from 13 to 15 in conjunction with a club or FA. The acclaimed Clairefontaine centre outside Paris and the famous Ajax Academy all include 'normal' schooling as part of their curriculum; these people are children after all.

Curiously, a local school to Ibrox, Bellahouston Academy, is Scotland's first 'school for sporting excellence'. The school has over 130 pupils who are only there because of their sporting talent. These kids still get a full education but they also get access to specialist coaches, advice, conditioning and sports psychologists. Football isn't currently one of the sports covered at the school - perhaps Rangers could consider helping to change that?

Engendering good habits, influencing technique and seeing at first hand the personalities, weaknesses and the strengths of these young players must be good for the players as well as the club. Tie it in to a trusted, local authority run school environment and you have the perfect 'academy' system for a fraction of the outlay running a residential school would cost.

If the kids are rounded, focused and aware of the different facets that make up a successful sportsman when they leave school, they might conceivably be in a better position to make the most of the opportunities that come their way later. 'Specialist' schools are becoming popular throughout Scotland, becoming centres of excellence in music, dance or sport is relatively prestigious and Rangers could assist this process whilst it is still in it's infancy.

Once at the club however one thing that does seem to be clear is that if a young player isn't getting a game regularly between the ages of 16 and 20 he is unlikely to make a genuine impact. Now roughly one in every generation seems able to do this currently, be it Durrant, Ferguson or maybe now John Fleck. However these guys are the exception, they were such prodigious talents that they couldn't be ignored. But for the vast majority games is what they need.

Professional football is a trade and they can have many reserve, youth and bounce games but ultimately they need to learn their trade and they'll need to play in competitive games to do that. Examples of this are all around us. Pedro Mendes had played 31 senior games by the age of 19, by the age of 20 Ross McCormack had only played 11. By the age of 19 Ally McCoist had played 57 times for St Johnstone, Rory Loy will turn 21 this year and has played about 6 games of first team football.



### Article Six (continued)

Now Mendes played his games for a team you've never heard of and McCoist, having been rejected by St Mirren, was learning his trade at the always unfashionable St Johnstone. Both McCormack and Loy on the other hand were both deemed good enough at 16 to be recruited by Rangers where they enjoyed the finest training facilities in the country, trained alongside some exceptional players and by some experienced coaches, so what's gone wrong? Well to put it simply too much theory and not enough practical. Still not convinced? Have a look at the current first team of any successful side and try and find a player who wasn't playing regular football at senior level by the age of 19.

Getting our young players playing at a high level as early as possible can only be in everyone's interest. If an 18 year old can't hold his own in Division One he won't make it at Rangers later. It also makes financial sense, if they aren't deemed good enough for Rangers, and most won't be, these boys will leave Rangers on free transfers with some first team experience. At least a player with 30 to 50 games at Division One level is worth something.

Ideally Rangers should consider formal or informal links with several clubs, an ideal 'roster' of clubs would include some Scandinavian clubs, perhaps a Dutch one, certainly some English ones, and maybe even an Italian or French club. None of these clubs would be in their top divisions obviously however many smaller clubs are looking for good players who are relatively cheap so free young players from the best club in Scotland might well be of interest to quite a few of them.

Without improvement in the young players at lbrox it is folly to continue to invest in youth. Arguably, financially it would make more sense to save the money and take the best from Hibs, Hearts and Kilmarnock etc. However long term, transforming talented young players into professionals has to be Rangers goal, it makes sense on every level.

Young men literally schooled correctly, positively influenced at an early age, approaching a career as a professional footballer already knowing about diet and fitness and knowing they'll be given opportunities at various professional levels during their time at Rangers must be the ultimate goal for the club.

### Article Six Analysis

#### Main points of debate:

- Club youth system doesn't appear to be as successful as it could be.
- Use successful foreign models to improve this.
- Utilise local schools to implement scholarship model.
- Feeder clubs and loan deals would perhaps benefit experience of young pros.

#### Inherent problems:

- Initial financial investment could be high.
- Success still isn't guaranteed.
- Patience of supporters would be required during change of strategic operations.
- Social issues in Scotland would still hold young talent back.

- Club to investigate successful existing football models at home and abroad.
- Club to investigate existing venues for use by Rangers (e.g. Largs, Bellahouston etc)
- What governmental or SFA funds are available for such a project?



### Article Seven: 'Scouting for a Future'

(Author: Lee Fitzgerald)

#### The Rangers of 2009 is not the club we all once knew.

No longer can we attract Europe's best players when they are at the top of their game. In fact, nowadays we would struggle to pay their appearance bonuses, never mind their weekly salaries. The club is suffering the effects of an economic downturn and poor money-management from the Boardroom to the Manager's Office. In correlation with this fact, we are seeing a decline in the quality of performances produced on the pitch. There is no doubt about it; we are in the midst of a decline. Every year we have to sell our top players, qualify for the Champions League and continue to fill lbrox with 50,000 fans, just so as we break even and don't record a loss year on year.

Something has to change. David Murray and Walter Smith have constantly reminded us as fans that the days of big spending are over and that we cannot compete financially with the top European sides that are paying ludicrous amounts of money for players. But why are we making excuses for our predicament? We should be creating a new vision for the club, one which will see us compete in the Champions League, assert dominance in the SPL and become an attractive club again. I have such a vision; it is neither complicated nor costly. It is the creation of a multi-level scouting network which can identify the best young hidden talent from across the globe, find players who are within our price range and who will improve the squad and also give the manager a chance to explore avenues never before open to him.

#### It is the future.

At present, our transfer policy is very limited and many would say is failing. Our main source of players is close to home, from either the English Championship or the SPL. Due to the inflated transfer market in England, we are being forced to scrounge for bargains that may or may not improve our first team, or even be good enough to play for us at all. Walter Smith has spent £30 million on players since returning to the club and only a handful of those signings have made a big impact on the first team. Too much money is being wasted when we can least afford it. The problem is that we have no real process of identifying players. It appears that our scouting system consists of looking to the over-priced English market, snapping-up the best talent in the SPL and attempting to sign any players that have impressed against us in Europe. That's hardly constructive, I'm sure you will agree.

The whole system needs to be scrapped and reinvented. The pressure should not be on the manager to identify, scout and sign players whom he thinks can do well at Rangers. He also shouldn't have just one or two men who can go and report on players who catch his eye. I believe that the club should firstly appoint a Director of Football who will oversee the development of youth players, a new scouting system and will answer directly to the manager and Chairman. Following this there should be the process of hiring around ten top scouts, who will each bring a different wealth of knowledge to the club. For example, one or two scouts who have their finger on the pulse of the South American game, another two each for the Asian and African games, and the remaining 4 to report on the European game.

This would only be a starting block, over time the network will inevitably expand and the more contacts the scouts can establish the more players that will be brought to the Director of Football's attention. Each scout will be responsible for creating an ever-changing dossier of players in their respective Continents who are great prospects, proven players or under-rated professionals. A list of between 15-20 of their top recommendations should be created, and constantly updated, for every playing position. Any specific talents or frailities should be noted as well as an in-depth description of how each player operates, the price tag and the possible sell-on value. Of course, this will not all happen overnight or be a quick-fix to our current problems. It is a clear and concise plan for the future which will have many benefits for both the club and the supporters.

First and foremost it makes the job of manager so much easier. When he identifies a position that needs filled within the team he doesn't have to start his search from scratch, there will already be a vast wealth of information available to him on many players from around the globe. He has a knowledgeable Director of Football to consult with as well as each individual scout who can help find the player(s) who would be most suited to the manager's playing style and structure. This could inevitably reduce the amount of signings who are unable to make the grade in the Rangers first-team.

There are also the financial benefits to such a system. It will uncover many talented young players who have yet to appear on the radar of the big European clubs and in doing so, give us a conveyor belt of talent from all over the world. If these players are successful they can then be sold on



### Article Seven (continued)

for much larger fees than the club originally paid without leaving gaping holes in the first team. The club can also save money by buying from poorer leagues than the English Championship, which will undoubtedly see superior players available for a fraction of the price of their over-valued English counterparts.

The clubs' image will see a massive benefit, as will merchandise sales if an ambitious but prudent marketing structure is put in place. With the club finding players from all over the world, we can create an image of being truly global and use this to attract merchandise sales from football-mad countries like China, Japan and the USA where there is huge potential for massive revenue in this department. I won't go into too much detail on this point as it will hopefully be covered in more depth within another article.

But is this all just an idealistic, untested vision which looks good on paper but will fail when put into practice? Anyone familiar with AZ Alkmaar will be tell you the answer is a resounding no. AZ are the perfect example of how such as system has been used to great success. Since buying the club in 1998, Dirk Scheringa has developed a similar system to the one I have proposed and has subsequently taken his club from being relegation strugglers in the Eredivise and turned them into one of Europe's top up-and-coming clubs. They share many similarities to Rangers in that they operate in a country which doesn't have the same financial strength as clubs in England, Spain and Italy. They also have a state-of the art youth facility, much like our very own Murray Park, which has seen many talented young players come through it's doors. Players like Jan Kromkamp, Tim De Cler and Denny Landzaat all came through the ranks of the AZ youth system and have gone on to become regulars in the Dutch National Side.

Scheringa made scouting a priority and has appointed managers who share his vision in Louis Van Gaal and firstly Co-Adrianse. Both have made use of the scouts at their disposal by bringing in quality players, young and experienced, from mainly South America who have aided in the clubs' dramatic rise to prominence both at home and in Europe. Under Van Gaal they have finished runners-up in the Eredivise the past two seasons and got to the semi-finals of the UEFA Cup whilst playing attractive, free-flowing football which has earned praise from many individuals at the top of the game. This has now been translated into genuine success by winning the 2008/09 Eredivisie."



This is a system which has worked wonders for the provincial club and due to their increased financial capabilities and ever-increasing fan base they were last year able to complete the building of a new 28,000 seater stadium. This is the route that Rangers Football Club should be attempting to travel, one which proudly sticks two fingers of defiance up to the money leading clubs by saying, "success does not come just by throwing cash around." Other clubs who have embraced good scouting networks and have benefited hugely from it are Sevilla, Villarreal, Schalke and Hoffenheim. All, bar Hoffenheim who are soon to follow suit as they top the Bundesliga, are now established European forces who have spent very little money but have generated huge transfer fees for their young players and earned relative success at the same time.

TSG Hoffenheim, whom I have just mentioned, are also a very significant example of where ambition and good scouting can take a team. 3 years ago the club were unknown to even the most ardent observer of German football, playing their trade in the Regionalliga Sud (German 3rd division). But owner Deitmarr Hopp had other ambitions for his club and sought the services of Bundeslige veterans whose combined efforts saw them promoted to the Bundesliga 2 within a single season. To coincide with this, Hopp pulled-off a coup in appointing German manager, Ralf Rangnick who had a glittering career in charge of teams such as Stuttgart, Hannover and Schalke. Rangnick looked to the youth ranks and brought in talented youngsters from both Germany and across the globe to aid his ambition of Bundesliga promotion.



### Article Seven (continued)

Amazingly, in the three seasons it took TSG Hoffenheim them to reach the German top flight there has only been two players who have been bought and then sold-on within that time. This shows just how effective their scouting system really is, they are buying players who are succeeding and driving the club forward. This is in stark contrast to the current situation at Rangers where players are being bought, failing to make an impact and disappearing from the first team and the club itself. It is fairly evident with that a good scouting system can completely rejuvenate a club if they have people in charge who are willing to adapt to the changing world of football.

As I have said, this cannot happen without vision and leadership from the Chairman. One thing these clubs all have in common, aside from their rise to success, is a Chairman who has been willing to invest in the future by showing ambition, leadership and motivation. Securing a firm grip on the world's transfer markets is not an easy feat by any means, yet it can be achieved. This is where you must step up to the plate Mr Murray. You must put your search for a buyer on hold; nobody in their right mind is willing to buy into Rangers at this current time. Instead you should be investing in scouting systems like the one I have outlined, this can not only attain the many benefits highlighted but also attract potential suitors with the the club itself being seen as an asset with a vision, a plan and consequently, a future.

Rangers cannot continue along this current directionless path. It will only see our great club wither away towards the footballing wilderness. Scouting is a way forward for the club both on the field and financially. It will allow us to stop the glut of average players coming through the famous lbrox doors, give the manager a much clearer picture of the global game in which to find players suited to his style and contribute to success on the pitch. We can open new markets in which to promote the Rangers brand and with some ambition in this area we will use these markets to generate incomes from merchandise sales. Young players from around the globe will be attracted to the club, as will proven players within our price range. In short, a little vision and leadership can go a long, long way in football. Mr Murray, finding a suitable buyer could take many years. Establishing an effective, functioning scouting network may not take as long while also attracting any potential buyers.

The future must be cemented in the present. Do you still have the heart to drive our great club to success?

### Article Seven Analysis

#### Main points of debate:

- Club can't compete financially with Europe's top clubs.
- Creation of a multi-level scouting network to identify world football's best talent.
- Current transfer policy is failing with millions of pounds wasted.
- Director of Football should be appointed to oversee development of new system.
- Marketing benefits of worldwide talent could offset costs.
- Use existing models at other similar sized clubs (such as AZ Alkmaar and Hoffenheim) to maximise success.
- Former players should be used as a starting point.



### Article Seven (continued)

#### Inherent problems:

- Initial financial investment and ongoing costs could be high.
- Success still isn't guaranteed.
- Such a network would take years to bear fruit.
- Director of Football model hasn't worked well in the UK in recent times.

- Club to investigate successful existing scouting models and home and abroad.
- Club to arrange former player forum to gauge interest in working as above.



### Article Eight: 'Looking Through Oranje Glasses'

(Author: David Tomlinson)

After the previous article on setting up a working scouting system I thought I would do a check on the success of the clubs mentioned within it. It is important that when we offer suggestions we are prepared to research our claims effectively and, if necessary, criticise our own work in the same honest manner we criticise the club's.

Firstly, I will contend that AZ and Hoffenheim were not really the best examples to give when it comes to clubs being run through good scouting and youth development. The main reason for these clubs' success is still super rich chairmen. Looking at these clubs logically: until recently AZ had a stadium holding 8,000 supporters. Their new stadium holds 17,000 supporters. The whole village or town of Hoffenheim has 3,000 inhabitants with the chance of a few supporters in surrounding regions.

Let there not be any doubts here; these two clubs have a small fan base and therefore are most certainly run from the millions of their chairmen. Where we have to look at further is where these super rich chairman have put all their money.

At this point I would like to give a small background check on these two chairmen. Dick Scheringa was a policeman who left the force to make money from his hobby. That was giving financial advice to friends and family. Together with his wife they started a financial advice bureau. The advice bureau developed into a loan company and since 2006 it achieved a bank status; the DSB (The Dick Scheringa Bank). He has many critics in Holland due to his lend to anyone adverts - you may have heard of them: "even although you have debt you can get more debt with us". Dick Scheringa also has two big weakness. He loves football and speed ice-skating. He pumps his money into these two sports He sponsors them both in a big way via AZ and the DSB speed ice-skating team and ice speed skating in general. It is said that he has in his will that AZ will benefit from his money for years to come after his death.

Similarly, Dietmar Hopp is one of the top ten richest men in Germany reputed to be worth about  $\notin$ 13 billion. He made his billions by leaving IBM to be firstly co-owner and later owner of the computer software firm SAP. He was in fact a youth player with Hoffenheim and he returned to the club in 1990 as a financial backer. He financed a 30,000 seat stadium to the value of  $\notin$ 60 million. He also financed Hoffenheim to win at every level as they advanced from the eighth level of German football to the Bundesliga.

What these two Chairmen did was put coaches\trainers into place who were well known for their football vision. Trainers who can spot talent in players playing for other teams at a lower level or for bigger teams, where the players were not playing to their real potential. AZ had firstly Co Adriaanse who brought AZ to the top but left of his own free will, feeling he had taken AZ as far as he could, suggesting that van Gaal should be his successor to take AZ to the next level. Another point that I want to make here is that AZ under van Gaal dropped into a relegation fight last season. It would have been easy for Scheringa to sack him but he stuck by his manager's vision that it would come good in the long term. That vote of confidence is now being paid back with AZ racing to the league title.

Dietmar Hopp brought Hoffeheim slowly through the ranks of German football to the top division of the regional leagues. Then in 2006-2007 he decided the way forward was to start bringing in players and a coaching staff who had Bundesliga experience. Rolf Rangnick was appointed coach; a man who had managed SSV Ulm, Stuttgart, Hannover and FC Schalke. They directly took second place in the regional league south for direct promotion to the Bundesliga 2. Then surprisingly they finished second in division 2 to gain promotion to the Bundesliga itself. It has been reported that Hopp has given the manager a budget of  $\notin$ 20 million per season.

These two chairmen have also put their money into sitting up Youth academies and a scouting teams to scan the leagues for talent playing below their true standard.

Now I would like to bring in two new names of men that have become chairmen of Dutch football clubs that don't have billions to spend but through positive thinking and good club management have brought their teams to punching above their weight on a long term basis.

That is Riemer van der Velde the ex-chairman of Herenveen and Joop Munsterman of FC Twente. Both these chairmen took over the clubs when they were on a low and in financial turmoil (sound familiar?).



### Article Eight (continued)

Riemer van der Velde took over Herenveen in 1983 when they played in the second Dutch league. They were in financial mess and had little going for them. By 1985 Riemer had the club financially in the black and looked to the future by bringing in Foppe de Haan as trainer. Foppe is a trainer who had a vision for positive and attacking football (he is to this day coach from the Dutch U21 team). Although Foppe was replaced after a year for poor results he was put in charge of coordinating the technical side of the club. Johan Cruijff who had just been sacked as manager of Ajax was asked to take over the club and was totally impressed by the vision of van der Velde. Only the pulling power of taking over at Barcelona stopped Cruijff from taking the managers job at Herenveen.

In 1992 de Haan returned as coach and Herenveen have grown into a club who regularly play in Europe. They have achieved this by having the vision of picking up young talent who play for lesser teams in the lower leagues, players who are released by the top clubs and an seemingly unending supply from Scandanavia. To name just a few players, Van Nistelrooy, Huntelaar, Allbeck, Alves and Samaras. As for their scouting system in Scandinavia well you may think that Herenveen have a huge scouting network there but the fact is they had only two scouts there: Riemer van der Velde and his wife. Much of the free time Riemer and his wife had, was spent travelling to Scandinavia to watch football games and pick out possible talents. In Holland it is well known that scouts from the top teams tried to find out who Riemer was watching as they knew he had an eye to pick out a gem. Riemer has retired as Chairman of Herenveen but is still seen regularly at the stadium and also at stadiums in Scandinavia still scouting together with his wife.

The fourth Chairman is Joop Munsterman, from FC Twente. He is special because he started as a cleaner at the local newspaper. He worked his way up the ladder from cleaner to director of the newspaper and later Chief Executive Officer of the British investment firm Mecom who owned the publishing company. Joop, who was already a director of Twente, took over when Twente were minutes away from bankruptcy. He built a plan to save Twente, which translates to 'Twente under the scaffold'.

That, as it sounds, was his building plan to get FC Twente back to being a castle instead of a ruin. Munsterman is not a fantastically rich person but what he did do was get business sponsors behind the club. If you walk into a supermarket in Twente then you are putting money into FC Twente. On the football side of things he put the right people in the right places. Fred Rutten one of Holland's best young coaches started the build and when he left, Munsterman came up with the name Steve McClaren, another talent that had lost his way elsewhere. That is the road FC Twente have gone down.

In addition that that strategy, Twente have one of the best youth academies in Holland while having people with vision in place who can pull misfits from other teams and turn them into million pound players. Orlando Engelaar came to Twente for  $\notin$ 400,000 and was sold to Schalke for  $\notin$ 7 million and Karim

El Ahmadi a youth product was also sold for millions. They formed the midfield positions for Twente last season and were thought irreplaceable. Twente now lie second with a totally new midfield nine points behind AZ. Eljero Elia was a young player sitting on the bench at Den Haag when Twente bought him for €100,000. He is now valued at €12 million...!

Now I will put together where I am going with this. The common denominator of these four chairmen is a love of the club, and putting men with football vision in place to take the club forward. What we appear to have (given our decline of the last 10 years) is a Chairman with minimal vision who is now struggling to maintain our position as Scotland's best teams. A Chairman who has no genuine love for the club as it was only ever a business venture for him. A Chairman who has



employed many key people with the same lack of vision that he has. In the examples above the chairmen have either pumped their own money into the club or run the club on an efficient budget. Sir David Murray has certainly not run the club efficiently and has only put in what he hopes to get back.



### Article Eight (continued)

A youth system is a must for any football club but in saying that there is no club in the world that can live on their own youth system. Rangers need a management team and scouting system that can pick out those special talents that other clubs miss. Any club with money can pick out players by paying millions. The trick is to pick out players for little and sell them on for millions. Again, the common denominator is a vision for the future and that is the main ingredient that seems to be missing at lbrox.

How can we create that oranje vision? What would we need to start our own Youth academy at Rangers?

Actually many pieces of that puzzle are already in place. Murray Park (although not built as a youth academy per se) is almost custom built to fill such a role. On the educational side of things I am sure many schools would love to be part of such a project. Bellahouston Academy (mentioned in an earlier article) is just one valid example of putting together football and education in a positive long term project.

The negative part of this is, that the costs start to mount, and I believe they would be quite substantial. It is possible that these costs are the reason Rangers are not already taking that path. Whether the fruits that are plucked out-weigh the running costs remains to be seen. As most Dutch clubs have live-in academies it would appear they believe that it is an expenditure worth having. Let me state here that I don't believe for one second that the difference between Dutch football and Scottish football is a youth academy for professional football players. The difference between these two countries is the coaching and set-up at grass root level and that is the remit of the SFA, SPL and the Scottish government. Instead of 'Unacceptable Conduct' red herrings, why not allocate more funds towards examining where the game itself is failing? Wouldn't it also be refreshing to read the media concentrate on something like improving our game rather than decrying it?

Going on to the scouting set-up it is easy to say we need scouts all over the world who are constantly looking for young talent. I think you now have to ask yourself is it financially feasible to do that? I have often read on this forum that PSV, Ajax, Feynoord all being named in having Schools of excellence in South America, Africa and probably Timbuktu. To my knowledge not one player has ever come through this system and I believe all these clubs have now retreated from these means due to the running costs far out-weighing the profit. These clubs do pick up gems from South America and Africa though? Yes but the fact is that these teams have good contacts with football agents. They do also have a team of local scouts who will fly out and evaluate a player named by his agent. Do you really believe a scout from AZ was ambling in the park in South America and stumbled on a player who was unknown to all. No! Agents have websites and put their wares up for sale. Club scouts plough through hours of video material and then fly out to check up on these tips.

To achieve this I believe Rangers need a technical director in place, instead of Martin Bain. We need a man who has a knowledge and vision of football putting things in place, and not someone with a commcerical background. We need a team working from lbrox or Murray Park who travel the world checking up on players on a regular basis. We do not need to be paying hundreds of people across the world to do minimal work in my opinion. We need the right men in the right place developing and scouting our players. Men with that oranje vision. Only our Chairman can put them in place.

He has to put those Oranje glasses on.

### Article Eight Analysis

#### Main points of debate:

- Herenveen and FC Twente are similar clubs to Rangers in terms of finance.
- Good, innovative management can bring relative success.



### Article Eight (continued)

- Genuine scouting and youth systems need not be as expensive as first thought.
- Marketing benefits of worldwide talent could offset costs.
- Dutch football should be examined more closely given its success internationally.
- We need the correct people in the correct roles.

#### Inherent problems:

- Once again such a model could take a long time to invoke successfully.
- Success still isn't guaranteed.

#### Subsequent Recommendations:

• Club to investigate successful existing Dutch models.



### Article Nine: 'A New Model for the Rangers of the Future'

(Author: K. Park)

Why would anyone invest in Rangers? Financial crisis. Large, growing debt. Shortage of cash. SPL. Small TV deal. Small country. Need I go on ..?.

Well, I would invest in Rangers. I already have, and so have people I know. Businesses already do and sponsors already do. I would invest more. So would people I know. So would businesses and so would sponsors – Carling will not be the last sponsor of Rangers. But nobody's queuing up at the moment are they?

Our absolute and fundamental problem is that the club (the business, if you like) needs a fresh start. It needs a new energy, a new vision, a new strategy, a new plan. And to put these things in place, it needs a new leader with a new leadership team. THEN, we can start going somewhere.

This discussion promotes the concept of fan ownership. At its heart is the belief that Rangers is too important to be allowed to be controlled by just one man. The next man might be great, he might be a disaster. Survey the landscape of British football boardrooms of 2009, consider the trends and ask yourself if you are entirely comfortable. 90% of fans would, I bet, say no.

This discussion also recognises that the £70m or so which might be needed to buy Rangers and invest for the future is a bridge too far for ordinary fans on their own. Is fan ownership a realistic possibility? Consider this; when Fergus McCann left Celtic, 20,000 supporters took part in their share issue, with many placing very large sums. Since then, Celtic has raised £37m from two further issues in 2001 and 2005. Rangers could raise £37m if the supporters liked what they heard, saw the benefits and bought the idea psychologically. Leaders of people can achieve great and implausible things - history is littered with them. Already this year an incredible orator took the keys to the Oval Office – impossible is nothing, as they say. A credible, visionary leader who steps forward with a credible strategic plan which the supporters buy into will find an awful lot of people and an awful lot of money lining up beside him - galvanising the supporters will be easy.



As I've said, it's hard to see the support buying Rangers outright in the short-term. And it's hard to see wealthy investors doing the same. That's why a hybrid model may have the best chance of succeeding. It's not often that Rangers FC changes hands so why wait around for another 20 years and see what happens?

This article primarily discusses those who will invest significant amounts; what's in it for them, when they get back, what the pre-conditions might be, and how they fit into the club's ongoing structure etc.

Firstly, a few wealthy people (let's say half a dozen with £5m each, or a similar amount of people who together can pool £25-30m) need to be *inclined* to invest in Rangers. They may have Rangers at heart, they may want indirect benefits (such as status, exposure etc), or they may want a financial return. Whatever their motivation, two things need to be possible in return for significant investment; the belief that the club can be run profitably (or without losses) and; input into the running of the club either directly or indirectly by appointing experts in key positions. If I have a few million £'s, I am emotionally inclined to invest in Rangers and these two conditions are in place then I am more than half-way there.

To create these conditions, two primary things need to happen; the current corporate management team need to be replaced, top to bottom. Blood on the carpet. Replacing an old regime is not tricky, surprising or particularly inventive. It's just one of those things. Don't lose any sleep over it, it happens all the time. Secondly, a sound business model needs to be created which demonstrates that the club can be run as a self-sustainable entity. Tough decisions need to be made, but ones which are for the greater good.

Restructuring the club and implementing a new business model is not difficult either – there is only one significant obstacle; the potential for the club to 'under-perform' on the pitch for a period of time *in relation to expectations of the supporters* which will undoubtedly test the nerves as we see the



### Article Nine (continued)

plans through. Amazingly difficult, and a concept which would only fly and be allowed to exist in a not-too-hostile climate if accompanied by a new vision and strategy which is fundamentally and psychologically supported by the fans. Our new vision must be based on investing in youth development and scouting on an enormous scale, in exchange for spending no more than notional amounts on the first team for a period of 3-4 years. I'm talking about a £15-20m investment – no half measures. I believe a new, credible and visionary leader could sell this to the supporters.

The club will be run on the basis that it maximises its resources, and really concentrates on youth development. Its scouting network is taken seriously because unlike most other large clubs, there is a fundamental obligation/necessity to rely on it. It's not optional and not something we bail out of. It becomes the heart of the culture of the club. Rangers become known as the place to be for excellent youngsters, and we play them in the team. Presented properly in the right context, I honestly believe fans would support that, under a credible new leadership.

It might take 3-5 years to significantly produce at Ibrox for the first time and in the meantime we soldier on with the standard of player we have now. We try to improve the team by selling the countless players who are simply not going to be good enough for long enough, and replacing them with better buys. Who can honestly say that's not possible when you consider some of our current fringe players? How bad will it get? Well, it'll be pretty much the same as things are now – not much better, not much worse. The question to ask yourself is; would you swallow that?

Returning to our new investors and the thorny questions – why would they bother and what would they get in return? Let's say the pre-conditions we've discussed are in place; the ability to get the best people to run the club successfully, and a plan to run without losses. At a high-level, here's the mechanics;

A group of high net-worth people or organisations agree to create a pool for investment, let's say £30m. 6 x £5m. Not 1 x £70m, but 6 x £5m. Quite different. Fans will find the rest if they buy into the vision. Here's how it might work;

The 6 investors form an executive board of directors, they own maybe 5-10% of Rangers each. None dominates the other financially and none can ever have control of the club – even as a group, they cannot constitutionally control the club. All other smaller investors also own shares through their new (or existing) investment. The executive board will be in-situ for a period of 3-5 years, whereupon they must stand for re-election by all other shareholders who have invested more than, say, £1000 on a one-member one-vote basis. In other words, the executive board cannot band together and re-elect itself. The rationale for a cut-off value is to offer incentives for the supporters to invest to this level and to diminish the possibility of mischievous investing & voting. From the executive board, a senior executive is elected who performs the role of Chairman. The Chairman is responsible (with the board's backing) for appointing and managing a team of Executive managers in the various disciplines, football, sales & marketing, operations, finance etc etc – a normal company hierarchy. A 'grass-roots' supporter with the right credentials may also be elected to the executive management team. The mechanics relating to the corporate governance structure and the exit of shareholders and so on are complicated and will spark much debate. That's all part of the process – every problem can be solved.

Corporate investment is also a fruitful avenue. Many companies will invest in a visionary plan. Turning lbrox into a world-class business and community hub will unlock large sources of untapped revenue. We'd need to do the place up, make changes, but we wouldn't need to spend absolutely ridiculous amounts. The construction market is not exactly full to capacity at the moment.

In terms of business facilities, lbrox is already full of offices, restaurants, food outlets and great things to see. It's 15 minutes from the airport, 10 minutes from the city centre and 5 minutes from the motorway. Loch Lomond is 40 minutes away for outdoor activities which could be bolted-on to packages. In fact, once out of the city there are facilities like that all around the place which we could partner with. Fit the place out with excellent communications such as wi-fi and conferencing facilities and there is ready-made space for businesses to make far more use of it than they do now.

How many hotel meeting rooms are booked in Glasgow in a year? People have tea/coffee, lunch etc, it all adds up. How many people in business have gone to meetings in decent places? – e.g. Silverstone, Old Trafford, The Old Course and 1000 others – going to a meeting in a place of interest is excellent and very, very appealing if it's good once you get there. Collectively, even in hard times, business still spends a fortune hiring facilities and entertaining. I'd argue that here are very many businesses who would use lbrox (and similarly Murray Park) on a casual basis – and there are many who



### Article Nine (continued)

would invest in the club on the basis that they had privileged & concessionary access to these types of things. A hotel, leisure, shopping complex and museum would add significantly to the attraction and profitability of the destination, with varying degrees of outlay. Some or all of these may or may not be strategic imperatives, we shall see.



Finally, we return to the average supporter. Remember we were 200,000 strong in Manchester and the pubs back home were still packed-out and the streets empty by all accounts. The whole stadium experience is professionally reviewed which a view to maximising revenue - across the week but especially on match-day. How many people buy burgers and pints outside the ground? Why do they? Would they buy from the club if the product was good, easily accessible, priced correctly, served by smiling blue-noses? (Even rotating volunteers – I'd have a go!) Bars/food outlets in the concourses, knocked through to the paved areas outside? Proper smoking areas arranged outside. Merchandise on sale. Nice working TV's. Former players mingle. Sense of community. Many fans would arrive earlier, enjoy the atmosphere and the facilities, stay later and spend more.

Talking of merchandising, how many people have tried to buy Rangers gear and can't? It's ridiculous. Distribution and merchandising deals need to be done which maximise availability and revenue. A hybrid of the Rangers/Celtic model if you like. We have the best deal on paper - they have the best distribution. You can get a Celtic, Man U or Chelsea top in every sports shop in the UK, why not Rangers?

As the club is now owned by the fans, from this day on it will function solely for you and for the wider community. Our thousands of new investment partners and their friends and families will be welcomed into the stadium seven days a week and you'll be treated like you own the place. Our millions of fans will be welcome to visit the stadium and spend time there whenever they want. And we extend a warm invitation to the community, visitors and tourists – "come and see our place, enjoy it, spend some money, tell your friends and hopefully come back again. With them!"

The club is now owned by the fans and it now exists for the fans.

Sir David Murray and his team couldn't sell this to the supporters or raise the fans' cash - there is too much baggage and a lack of invention in that boardroom. We don't even need a £70m sugar daddy or a new Sir David Murray. It only needs a few reasonably wealthy people to get together and step forward; given our current situation and the outlook for the next few years, they'll find that the support they have will be overwhelming. Maybe the fans could even step up first and tempt the investors out of the shadows?

Either way round, this can be done. Our club doesn't change hands very often. It's time for the reasonably wealthy few to understand that they can make a difference and that we, the fans are ready for a new Rangers. If the fans aren't sure they're ready yet, I'd bet that the right leader with the right plan could persuade us.

The time is now.



### Article Nine Analysis

#### Main points of debate:

- Article promotes fan ownership via high net worth supporter consortium model.
- Club would be restructured and base its future on long term youth/scouting systems.
- The status quo would be maintained on the park while restructuring would take place.
- Wide-ranging Rangers fan base would be utilised for investment and new ideas.

#### Inherent problems:

- Why would people invest considering various external pressures (e.g. recession)?
- Correct focal figure required for fans to rally behind.
- Patience of supporters would be required during change of strategic operations.
- One person one vote system may not suit larger investors

- High net worth supporters approached for open debate on above model.
- Club to investigate ways of instilling new members system to ensure more supporter involvement in club.



### Article Ten: 'Are Player Contracts the Epitaph of Rangers?'

(Author: Robert Boyle)

"Man is born free and everywhere he is in chains"

Life is good if you have the abilities to become a modern professional footballer. The Bentleys, the broads, the bank accounts, the buffed up egos and the bumper contracts.

Such short footballing careers are nowadays followed by long forays into the media circus, property, show-business, modelling or literally anything that takes their whim. They have the capital to do as they please. Gone are the days when players had to accentuate their meagre pay packets with second jobs and 'retire' only to start their lives again as a member of the workforce at large. Nowadays distinctly average players can retire to a better and more comfortable life than a large percentage of the population could ever dream of.

From the onset of professional football, the players gracing the hallowed turf across the land quickly realised that they were being paid more than the loyal fans who came to watch as their escape from the rigours of their weekly grind. With the rise of unionism (in the workforce) players began to seek employment rights and players' associations were born. With these rights came contracts.

Stories of players now agreeing contracts readily with clubs without some form of barter, agent provocation or underhand tactics are tough to come by. Sadly the trend can be rather obtuse, sometimes sinister and more money hungry than we'd all like. Wrangling over player ownership, image rights, agent fees, relocation bonuses and sponsorship, are far more common than anything else – especially with a figure of around 90% of the UK's professional players represented by some form of football agent. But I suppose that in these times of multi-million pound contracts, Arab sheiks and Israeli super agent; that kind of contract pontificating is to be expected.

No one needs to be told about the recession that we find ourselves in, both individually and in this case, as a collective support and football team; but the issue of the football contract is a multi-faceted one. A football club's financial stability is largely dictated by payment to the members of staff that it has on its wage bill, as it is one of its main expenditures year on year. All football clubs are facing uncertain times financially, even some of the richest clubs in the world are feeling the pinch relative to years gone by. It is simply untenable for them to maintain payment of large contracts and bonuses to large squads of players.

This is the quandary that Rangers have found themselves in of late and the topic for this discourse into 'Setting the Standard'.

In actuality, it is a quandary that Rangers have been in for a while; too many players on the books with bloated wage packets that were never justified. It seems to run in cycles too. As soon as we manage to trim one squad down, it is again swollen with players that do not deserve the wage packets they are on. Yes, getting players via the Bosman ruling is going to mean they are on slightly better wages than they would usually be, but the players we have signed using this method have often not been of the required standard.

The situation regarding contracts in contemporary football is an interesting one. The playing field was changed for good when the European Court of Justice ruled in the favour of the then unknown Belgian player Jean-Marc Bosman and another sweeping change seems imminent as the case of Article 17 of FIFA's transfer regulations ('Webster Rule') filters into the transfer system. The 'Bosman' ruling means that players over 23 can move freely between employers once their contract runs its course and the 'Webster' ruling means that players who sign contracts when aged under 28 are able to unilaterally break those contracts after three years. If the player is 28 or over, he can break his contract after two years. Compensation is payable, but crucially, a player's destiny lies in his own hands.

With that in mind, a key point of note is that the balance of power in terms of football contract negotiation has shifted in the favour of the player and not the club. Players now have the same rights as employees in every other sphere. Something that is not lost on Sepp Blatter at FIFA, who is still battling to convince the EU that football is an 'exceptional' industry in which ordinary labour laws should not apply. Nevertheless, the best employees (footballers) have full control over their own career and can move to whichever club offers them the best wage and they can demand a pay packet that they feel is befitting of their talent. This has several implications for football contracts.


Clubs are thus forced to sign players on longer contracts than they have previously in order to protect the investments that they have. A five year contract now, is the same as a 2/3 year deal some ten years ago. Clubs rarely think that a five year deal will run till its expiry. For example, a couple of seasons ago, when Charlie Adam and Allan McGregor first came to the fore at the club, they were instantly tied down to long lasting deals. This protects the clubs investment in them meaning that should a club wish to buy them, they have to consider the fact that they need to pay out for a player that is tied into a long term deal.

This is the only way that a club can combat 'player power' in the transfer market. However, this is where the problems we are currently faced with arise.

As the transfer window was creaking shut with a whimper across Scotland, Rangers were desperately clamouring for some transfers – but just in a completely different way than usual. We simply couldn't give away our players. In the end we managed to get Charlie Adam, Jean Claude Darcheville, Chris Burke and Alan Gow off the wage bill. Whether this is/was enough to ease the mounting financial burden that was much lamented throughout the month of January remains to be seen, but what we can say is that we never got the £3 million that was much touted.

One of the main issues seems to be that there was a severe lack of motivation from some of the players to leave; high earner Brahim Hemdani being the perfect example. Hemdani was scarcely used last season, instead being kept as a European secret weapon. But with there being no Europe this season (and injury to be fair), he has faded into insignificance. Only recently has he obtained an agent to try to find another club and was allegedly looking for a full pay off of his contract and the ability to leave for free to go now. Instead of us being able to offload a good midfielder (Supporters Player of the Year 2006/07) with bags of European experience for a fee, we have to pay up or see him rot, quite possibly from within a cafe with fellow African Francophile Bobo Balde, each laughing at either side of the Old Firm.

It doesn't take a financial analyst or someone voiced in contract law (I don't claim to be either) to tell you that this is not good for Rangers. We need to be selling our players. Not paying them for doing us the courtesy of leaving.

Now I am not one for pointing to the other side of the city on a regular basis as a point of comparison, but in this case, the questions really need to be asked. Evander Sno left Celtic for £1.25 million – is he a better player than Hemdani? Craig Beattie for £1.25 million compared to Daniel Cousin for £1.5 million? David Marshall for £1 million whilst Roy Carroll can leave for free? Now this is not me saying that Celtic are flawless in their transfer policy - we are lucky that they have been so inept in some of their buying of late - but it does seem to be a trend that they seem to get more money for the players when they move on. How can we improve upon this?

A cursory look at the club accounts when the figures were released in September 2008, intimated some worrying factors relating to contracts and wages. Firstly and most importantly, within the last year, wages and salaries increased by 60%. Put in monetary terms, staff costs went up from £24 million to £34 million – an increase of £10 million. A year! To put that into context, Murray Park cost £14 million to build and we are still discussing the merits of its cash investment.

It's also apparent that one of the most interesting contractual issues that Rangers have faced recently is, paradoxically, the run in Europe last year. Yes we made money from ticket sales for lbrox, but such a run was probably never accounted for when players were negotiating bonuses in their contracts. Allegedly, in total,  $\pounds$ 7 million were/are to be paid to the players due to their run. That's nothing to be sniffed at – it's more than we paid for Pedro Mendes and Steve Davis! It's unlikely that we will be paying out that kind of level of bonus in the foreseeable future. Was this bad management? Bad contract negotiation? Were these levels of bonus placed into the contracts just to make them appear beefier to the players that were signing them?

So to be clear, where has this left us as a club?

We have a squad creaking at the seams, filled with players on relatively high wages and longer contracts than we would like them to be on. Players that were once shining lights, such as Adam and Burke, were given long, bumper contracts too early and have failed to live up to their hype. These contracts



have a level of bonus that we cannot sustain and whenever we do wish to sell the players on it usually leaves them having to accept a drop in the wage they currently receive, hence their reluctance to go.

What can be done? How could the club move forward? Any solution(s) would surely have to be all about internal club policy and willingness to stick to it.

Now it would be churlish of me to sit here and write down what our board must do. I'm a research student that has about as much experience in the world of professional football as Andy Webster has in a Rangers back line. What I aim to do here in to perhaps scrape the surface at some ideas that could bear fruit. The feasibility of such I'm sure are open to condemnation, but they may well be worthy of some debate, something that is the crux of the 'Setting The Standard' project.

Ideally, we need to choose a number of players for a squad and stick to it. Walter has been quoted recently saying that he wants the first team squad to be trimmed to around 20, with other spots being used by youth players. It is an old cliché now that it is best to have two players fighting for every position, but it is one that should ring true. After all, that would only give a first team squad of 22 players. The drop in wage bill from a squad of 28 to one of 22 would be considerable and seems to be a goal of the current management team. Of that 22, there is nothing to stop some of the competition for places coming from hungry youth team players. With many of our young kids out on loan at present (Gow and Adam excluded) gaining first team exposure, it is perfectly feasible that they could come back ready to push for a first team berth. Just ask Allan McGregor about taking that route.

Ironically, one of the first things that I would suggest was in fact partially implemented or discussed just a matter of a couple of years ago by the chairman: a carefully structured and rigorously adhered to wage policy. When we missed out on Scott Brown in 2007, David Murray was quick to say that he couldn't break the ceiling on an existing set of guidelines (be them formal or informal within the club) for players that are either signed or come up through the ranks. At the time of the transfer it was indicated that signing Brown, who is apparently on somewhere near £25,000 a week at Celtic, would have shattered this new system.

It is believed that the maximum wage that any Rangers player can be awarded with is £16,000 including bonuses. This structure extends to all of the "Scots boys" within the squad who can expect to earn £1/2,000 a week when they first break into the team, £5/6,000 if they become regulars and if they become assets they can achieve £10/12,000 without bonuses. This might explain the high wages of Burke et al as they would have once been thought of as highly saleable assets, so their values needed protecting in long, full contracts. This is all very good in theory, but is it adhered to? Do we have too many 'assets' that are clogging up the wage bill?

The important point to take from this is that this structure was intimated by Murray to supporters at an AGM in 2007. If the structure was there, why was it not adhered to? Why do we find ourselves needing to sell to make ends meet if the structure has been pre-planned for two years at least? Is it purely chance that the worldwide financial recession was met with a run in Europe that bled the club's finance? Did the management maybe take too many risks that are coming back to haunt them now? Could they have predicted the financial down turn, and at the same time, surely no one at the club could have expected to have to pay overly inflated bonuses for getting to a European cup final?

Another valid point that needs addressing is that in terms of Rangers, the financial downturn did not happen last year. It happened as Alex McLeish took over. That is when we started to downsize our operations. With correct leadership and business models we should have been one step ahead and more than capable of weathering the financial storm. In Italy, Juventus are the most financially sound club at present. Something which is purely based on the fact that they needed to weather their financial storm as they blew through the Calciopoli scandal and therefore had to put models in place to mitigate this. Yet we are not, somehow. Why not communicate with some of the clubs that have came through the other side of some tough financial hardship and see what they enforced to get themselves back on track?

Yet I digress once more. Fundamentally, we need to reassess the wage structure of the club and strictly enforce it. Surely it should be relative to turnover? Coincidentally, it has been proposed by Karl-Heinz Rummenigge at Bayern Munich that this is the way to sort out the disparity of wealth that is present in modern football. Something like that would be difficult to enforce on a club level as budgets and finances can change so quickly. Who



would know if Manchester City would come in and whisk John Fleck to Eastlands for £50 million on a whim one year. However, the notion of salary capping is an interesting one and one which could make the SPL a better and more competitive environment.

In my opinion, one of the key notions is that player performance statistics should be more closely scrutinised when they are discussing contract situations. ProZone statistics and technologies like that could be fundamental to negotiation of a contract for a player. If, for example, a striker is pushing for a new deal and during negotiations it becomes apparent that his shots on target to off target ratio is decidedly poor, then does he have the right to be arguing for a raise in his salary? It's like a joiner getting paid more for hitting nails less often. Furthermore, these kind of statistics could be used for bonuses and financial incentives within the season instead of traditional win bonus, goal bonus and clean sheet bonus. How then does the hard working defensive midfielder get awarded for his diligent tackling and ball retention? It may change the motivation of players if their basic salary was kept lower and they had a series of targets to meet to maintain the wage they were accustomed too. The technology is there to be used, why not set the standard in the way we pay our players?

Another possibility is to further encourage and nurture our youth. It is also my personal view that each and every youth player should have two things inserted into their contracts when they sign professionally.

- · A minimum fee release clause.
- · A future fee sell on percentage clause.

We need to protect our investment in these youngsters and one way of doing so could be to scale the percentage based on the players regarded potential (5%, 10%, 25%). Also, do as the Spanish do, have a value in the contract of the player that is much more than could be aspired to just so as to use it as a bargaining tool. It is my thoughts that if young talent knows there is a wage structure in place that rewards them for loyalty, ability and statistical improvement, and then they are much more likely to want to stay loyal in years to come. This would also act as a stimulus for young talent to come to Glasgow from across the continent and further afield. This is another string that appears sadly lacking at present - a continent wide scouting network. With our youth investment protected, it might be a viable solution to also look to Arsene Wengers' ideologies of only offering one year deals to players over the age of 30. Adherence to this kind of strategy would ensure that we are not left in a Brahim Hemdani style situation with a player simply burning our money or holding us to ransom for a cash payout to leave.

To conclude, it appears the player contract situation at Rangers is well worthy of closer examination and improvement. Sadly, in my opinion, the best way to address the situation was already implemented two years ago and has failed. The wage structure can be fixed. However it will need to be done slowly. We can't afford a mass clear out of players as we cannot recruit ones to replace them. Can the youth be the future? Or will it have to be?

The sphere of football contracts is one that will continue to evolve in the next 10 years. FIFA are motivated to bring us the '6 plus 5 rule', the EU are determined to prevent it, the implications of the Webster case are yet to have been properly felt and I have the impression that the role of agents and third party player ownership will be of increasing importance. The important thing for a club like Rangers is to be in a sound financial state whereby they can be reactionary and pliable with future changes in both legislation and current trends.

# Article Ten Analysis

#### Main points of debate:

- Player contracts are costing the club far too much.
- Too many players and under-utilised and overpaid.
- Not enough money is being made from non high profile transfers.



- Smaller squad is required to avoid Hemdani/Balde examples.
- Strict wage policy needs to be enforced and adhered to long term.
- Statistics should be used to evaluate performance related pay.
- Clauses should be used to protect club's investment in youth players.

#### Inherent problems:

- Delivering success during further squad downsizing is challenging.
- Are fans patient enough to back younger players long term?
- How can we move on players if they don't want to leave?

#### Subsequent Recommendations:

- What are the club doing to future-proof itself against new UEFA player pool rules?
- Club to implement clear wage structure.
- Club to investigate use of statistics to modernise expensive bonus scheme.



# Article Eleven: 'Improvements in the Boardroom'

(Author: Derek Howie)

This article is going to look at one of the most important areas of the club - the place where the decisions that affect the running of the club - the boardroom. It proposes that two independent directors are appointed in a non-executive position to assist in the decision-making process.

It was only 4 and a half years ago that the club was  $\pounds$ 74 million in debt and in a great deal of financial difficulty. We got out of that debt following the rights issue that was supported by Sir David Murray (SDM) and the cash from the JJB deal, but yet again the club finds itself in financial difficulty after such a short period of time.

Our debt could be in excess of £30m in January, which is a lot when we consider that we only have facilities of £36m from the bank, and our outgoings will exceeded our incomings in the months prior to the receipt of the season ticket money. We were in the position that we were unable to even bring one player in on loan during the recent winter transfer window.

Both situations arose due to overspending which the club can't afford, but was authorised by the directors nevertheless.

It is because of this situation arising twice that it is believed that the Board of Directors of Rangers would benefit from having independent nonexecutive directors appointed, who may force SDM to at least question and re-examine the level of spending and other decisions and bring a freshness and alternative outlook that can only benefit the club as a whole.

#### Background

For the purposes of good corporate governance, listed companies on the major UK exchanges are required to have independent non-executive directors. They do not work on a day-to-day basis but attend board meetings. They have no connection to the company but are involved in strategy and have an oversight of management (see Appendix A for a more in-depth description of their responsibilities).

There is currently no requirement for Rangers to have such directors as the Plus Markets exchange where Rangers shares are listed do not have the same level of requirements as other, more primary exchanges.

Our rivals across the city are listed on a more senior exchange and as such do have independent non-executive directors - Ian Livingstone, Chief Executive of BT and Thomas Allison, Chairman of Peel Ports as well the well known John Reid, and it believed that the former two would benefit their club's decision making with their vast business experience.

The need for a strong set of non-executive directors was highlighted recently with the biggest loss in UK history following the Royal Bank of Scotland's near collapse, requiring support from the UK government. One of the causes of this is alleged to have been the inability of the non-executive directors to stand up to Sir Fred Goodwin, which highlights the need for a strong board, who are able to make their feelings known.

If RBS can be close to collapse then what is to say that Rangers could not run into serious trouble? That is why as strong board of Directors as possible is required.

The new directors should be independent of SDM so that they can stand up against him if they believe that he is incorrect and should not feel threatened or intimidated to give their opinions. They must be able to have his respect and should perhaps be regarded as "Captains of Industry".

#### The current position

The blame for the current financial problems has to stay with the directors of the club. Matching the supporters' expectations and keeping the club on a financial even-keel is admittedly an extremely difficult thing to do but with strong leadership, it can be done.



# Article Eleven (continued)

We appeared to be in the position where we had to sell out top scorer in the winter transfer window and it is worrying to the support that the club finds itself in this position, and means the outlook remains extremely bleak, particularly if there is no Champions league qualification for next season.

#### Misleading statements

It is believed that it was during the 2001 AGM that someone questioned the increasing debt level which was sitting at £28 million at that point. The shareholders were reassured by the Chairman at that meeting that it would be irresponsible for the board of directors to allow the debt to increase above £40 million, but in less than 12 months it had increased to £52 million, and eventually ended up at the well-publicised £74 million.

It is therefore a myth that many have said that nobody complained when the debt was increasing. The issue was raised but it appears that the shareholders, and therefore the support, were misled.

Following the cash that was received from the aforementioned rights issue and the up-front payment of  $\pm 18$  million received from JJB, the net debt was reduced to under  $\pm 6$  million in June 2006 and again the support were reassured by SDM in August 2006 that they would be "maintaining financial prudence".

It is not believed that anyone can argue that taking the club to within a few million of its borrowing limit in such a short period of time is maintaining financial prudence, and yet again what the shareholders of the club were told does not reflect the way the reality of the situation.

Having independent directors may result in more openness in the running of the club, which the support deserves, given the financial commitment they make each season.

#### **Options**

It would be in the club's best interests to try and ensure that this level of overspending is made more difficult in the future. (It is impossible to prevent when there is a majority shareholder in place).

SDM has made it clear that he wishes to sell the club, but it is equally obvious that there are no potential buyers out there. Any solutions therefore have to be within the current set-up of SDM being the majority shareholder.

The support need reassurances that the club will be run on a sound financial footing and there appears to be an inability for this to happen and therefore something has to change.

What is required is for SDM to make a major leap and admit that mistakes continue to be made and accept that it would be helpful to have assistance in formulating the plans for the club.

#### **Conclusion**

The decision making of the directors of Rangers can only be enhanced with new, enthusiastic non-executive directors. It is acknowledged that SDM will always have the final say due to his shareholding, but additional, experienced businessmen could bring fresh and innovative ideas and perhaps help him prevent the club getting into a more perilous financial situation.





# Article Eleven (continued)

#### APPENDIX 1 - The role of an Independent non-executive director

An independent non-executive director should play the following roles:

1. Participating in formulating strategy of the company

The board of directors is responsibility for the management of a company. It does not directly take part in the routine management, but it has to participate in the drafting of strategy of the company. They must use the professional knowledge or common sense, experience and specialty, vision and the advice they get from outside or the people and business relations they have developed to help directors solve related problems.

2. Oversight of management

Oversight of management covers two aspects: one is to oversee the management and the company in implementing the rules, procedures and plans established, that is, to see whether the company operates along the established orbit; the other is to check the company to see whether or not it has established a proper and effective internal monitoring system, procedure and guide. The former to see whether the company follows its rules and system in force and the other is to see whether the current system is rational enough.

3. Independent stand

It is very important for independent non-executive directors to air their affirmative and objective views, take independent decisions. As an independent non-executive director, the law demands impartiality in taking decisions by taking into account all available information, instead of casting votes according to the views of shareholders who have appointed you. First of all, an independent non-executive director must study and get to know all the information provided by the company; secondly, the voting and decision taking are not influenced, directly or indirectly, by individual interests; thirdly, he must honestly ask himself whether any private interests have influenced his judgement.

4. Protecting the interests of all shareholders

As an independent non-executive director, an important task is to protect the interests of all shareholders.

#### APPENDIX 2 - Disclaimers

1. It should be made clear that this proposal does not supersede or replace the requirement for supporter representation on the board, which is a separate subject and is not covered by this proposal.

#### References:

1. http://www.cipe.org/

#### Further reading:

The Higgs report - http://www.berr.gov.uk/files/file23012.pdf



# Article Eleven Analysis

#### Main points of debate:

- Club requires innovation in the boardroom.
- This needs to be by way of independent and successful business people.
- Debt has risen unacceptably twice in the last decade.
- This must be controlled more effectively as well as other parts of the club.

#### Inherent problems:

- Club has no formal obligations to PLUS Markets in this regard.
- Independent director may reduce influence of Sir David Murray.
- Would such directors be strong willed enough to stand by their opinions?

#### Subsequent Recommendations:

• Club must make changes in the boardroom via independent non-executive directors.



# Article Twelve: 'Thinking the Unthinkable: Is the Time Right for Protest?' (Author: K. Park)

Let's assume for a moment that Rangers is for sale at £50m. We have debts rumoured to be approaching £30m and, going by quotes from the club in

These obligations are thought to include a substantial transfer fee to Burnley for Kyle Lafferty but we have run out of cash at the same time as being confronted with a sobering and sudden inability to increase our borrowing. We intend to cut our wage bill by up to one-third. There is a global financial crisis, we are at the beginning of a deep recession, our biggest asset has been a victim of property price deflation and credit markets have dried up. Our Edinburgh-based bank has collapsed, was rescued by the government has been taken over by an English-based rival.

January, we need to offload £3-4m of talent from a small group of our 'top' players or that we may have serious problems to function as a business.

As we finish season 2008/09, Celtic have dominated the SPL for the past 8 years, winning 6 times and up until the last few weeks of this season were looking at 4-in-a-row – an achievement they have managed only once since 1916/17 incidentally, nearly 100 years. They have only  $\pm$ 3.5m of debts (maybe zero by now), 10,000 more season ticket holders than us and can strengthen their team significantly immediately if they choose.

Were it not for us winning the league in the last game of 3 different seasons, they would be looking at 9-in-a-row now - NOW! We have won 3 out of the last 10 domestic cup competitions (2 last season). We've had no European football this season. I won't get into the quality of player we have, tactics, formations, players out of position, entertainment value etc as these are subjective issues and this piece makes an attempt to deal in facts as much as possible.

As 1994 reached the end of its first quarter, those of us who can remember will easily recall the hilarity as we eagerly watched Celtic FC's almost fatal implosion. If anybody ever WANTED to watch a car crash, then this was it! They had won the league only once in 8 years, Rangers were looking at 6-in-a-row. They had debts rumoured to be an eye-watering £7m and were busy trying to build a smokescreen by announcing fake plans to build a new £50m stadium in Cambuslang. Their attendances were regularly below 20,000. They had had a series of useless managers and an almost endless steam of equally useless players. Quite simply, their inept board had been running the club for their own self-interest for far too many years to be healthy.

'Celts for Change', an organisation made up of ordinary fans backed by a small band of unhappy but very wealthy supporters had been active for some time; agitating against what they saw as the corruption of the board of directors and their mismanagement of the club. Whilst Rangers were in a position where their clear dominance looked set to continue on the park, the Celts for Change group realised that the investment required and leadership Celtic needing to become a force again was simply not going to happen under the self-serving, closed-shop incumbent regime. It had all gone on too long and it was all going absolutely nowhere. They wanted change and they wanted it badly enough to organise meetings and protests, once of which was a staged walk-out after 60 minutes vs. Kilmarnock in March 1994. Only 300 fans (out of a Celtic support of only 8,000, but still nearly 5%) walked out, to jeers from their fellow fans. But they went anyway. They knew time was right for a change. They didn't necessarily have all the details nor access to every movement behind the scenes, but they knew - they KNEW that things simply had to change .They truly were a shambles of a club. And how we laughed!



The straw that broke the camel's back was when the Bank of Scotland declined to write a cheque to Middlesbrough for an outstanding transfer fee, insisting Celtic had to deposit more funds. They didn't because they couldn't. They had run out of cash. The bank declared itself ready to call in the receivers. Waiting in the wings many thousands of miles away was Fergus McCann, a reasonably wealthy fan, working in concert with the local and



### Article Twelve (continued)

vocal leaders of Celts for Change. McCann said he would provide £2m immediately – insisting a deal be done and the board deposed, which it duly was. Job done. And for our part, we laughed even more, and kept laughing for several years!

Of course, one could write an entirely different version of that story (and there may be the odd fact which needs slight adjustment) and one could pick holes in the implied comparison. Nobody knows if Rangers are that close to the bank pulling the plug in 2009, maybe it's doubtful. But to repeat the Chairman's statement of January that things will be "bad" if we don't pull in £3-4million, the questions are clearly; what exactly could this mean?; how "bad" is "bad"? Are we really that close to the edge? How on Earth did we get to such a situation?

Whether the situation is the same as Celtic's was is probably a moot point, but interesting parallels are easy to find. Of those parallels which DO NOT remain, here are a few more points to consider.

Celtic was a sleeping giant, playing to meagre crowds and embarrassingly scrimping on everything. There was plenty of unlocked potential, but it needed a fresh start, a new vision, a new strategy, energised leadership – a complete change. Rangers in 2009 is, by contrast, an *ailing* giant. We play to a near-packed lbrox every week and have outsourced almost everything we possibly can, including merchandising and catering. We will probably never sell more tops, t-shirts and scarves than we did last year.

Back in 1994, Celtic had value to unlock. It was worth McCann investing millions to get it. It could be turned into a profitable business, facilities could improve – replace their large, old rickety ground with a large, new rickety ground; build it and, and the people will come. Rangers in 2009, is a busted business. It frequently makes losses (sometimes very large losses) and it is laden with debt. We cannot increase our crowds by even 10% never mind by 250%. Nobody but nobody is going to buy our club for its book value. There is simply no point. Of course if a hotel or a leisure complex was involved then maybe that's different but is there anybody left who believes in that anymore? All that doesn't mean we have no potential to grow; quite the opposite. But the current regime at Rangers has clearly, very clearly taken us as far as they can. The talk is once again of downsizing, cut-backs and regression. It's hard to see exactly which direction we are going in, but we're most certainly not on the happy path.

For Sir David Murray, it's been a game of 2 very long and contrasting halves. The first half was 1988-1998. 10 championships out of 11; a famous 9 in a row. Great times, great players, great memories! As many a great leader will testify, sometimes it's best to go out on top. Sir David should have done exactly that. In fact I'd bet he wishes he had as 1999-2008 has been a disaster. The final years of the last millennium were successful on the park but the cost was ridiculous - £74m of disclosed debt (rumoured to be as high as £86m) and we know what happened next. From 1998-2000, it was spend spend. From 2000-2006 it was cut cut cut. From 2006-2008 it was spend spend. From 2009 to god knows when, it's going to be cut cut cut. We lurch from one extreme to the other and back again in the most bizarre fashion. And this from a club which said it learnt its lessons from past extravagance, and would never again operate beyond its means.

Interesting to note is this; it took Celtic nearly 6 years from their darkest days in 1994 to get on top again. And most galling of all, the catalyst for their return was the repositioning of Rangers following the ridiculous escalation in our debt. We let them back in.

If you believe Rangers are (or could be) in serious financial trouble then consider this; if things get any worse it could be a long, long, long road back. Sir David Murray's model for running Rangers has failed. Not just once – it has failed for a second time. We don't know how "bad" it really is, but the tell-tale signs are all there. This point is worth repeating; if it all blew up tomorrow could you honestly say that the signs weren't there? If so, you're not looking hard enough at what's right in front of you. We simply can't wait for the unthinkable to happen before we awaken from our malaise. Which is why the time for the Gers to change is now. Right Now!

Sir David Murray is a proud man of considerable personal courage. He does not concede easily and is a sore loser. And brace yourself for something which might come across as ridiculous to many Rangers fans – I contend that he even has important sections of the media in his pocket – otherwise he would be castigated left, right and centre for the debacle that we find ourselves in. Perhaps his inaction on various other fronts is the quid pro quo for a silence within the ranks of the wee pet lambs in the press?



### Article Twelve (continued)

The arguments that the supporters should do nothing are weak. They are arguments for more of the same – and as we've seen, more of the same clearly means more of the second half, not the first. We really need to put pressure on Sir David Murray, the self-styled Custodian of our great club. He might own the shop and nearly everything in it but that doesn't mean he should have a free ride when the club's underlying business has clearly failed yet again. Even if Boyd or someone else goes, the underlying issues do not just go away.

This is Sir David Murray's responsibility. Name him. He took all the plaudits when we achieved 9-in-a-row. He must now take the criticism. Keep it simple. State the facts. Be constructive. Be positive. Don't make it personal – it's not. Keep it free from abuse. Asking him respond now, after 20 years to many-pointed plans might be a nice tactic, but ultimately it's futile. It's like going to the hairdresser and asking if they'll paint your head to cover your bald patch.

The Chairman has failed. Twice. He needs to move on and if that means cutting his losses and accepting a vastly reduced offer then so be it. Yes, he has put in a pretty penny but he owes us the chance to get on with a new future. He needs to go not because he wants to – he needs to go because he *needs* to. It's not about him – it's about Rangers. Sir David Murray is only important to Sir David Murray, his family, his friends, and some of those he employs. Rangers FC is important to hundreds of thousands of people – maybe even a million or two - across the globe.

It is imperative to note that this article isn't about one-off football matches; neither should the fact we've won or lost the title this season affect the message I'm trying to convey. This is about the bigger, deeper, more fundamental, long-term issues surrounding the future of our club. We cannot afford to get sidetracked by the short-term dramas of the latest result or the form of an individual player.

Either way, Sir David's time is up. He knows it. He and his off-field management team have failed yet again. Regardless of which individuals have made which mistakes, we need to be asking ourselves now; what would be enough for our 5% to stand up and walk out (literally or metaphorically)? Do we wait and hope it'll somehow all get better? Or do we stand up and get involved now?

Many of us can see that behind the facade, the club is already a shadow of its former self. A different future needs to start now, before the Rangers we love becomes a shadow of its current shadow, or quite literally, part of the past.



# Article Twelve Analysis

Main points of debate:

- Club continues to be unsuccessful after poor decade overall.
- Celtic outperform us in many ways despite having worse financial problems in the recent past.
- This turnaround in fortunes was down to supporters opposing a previous board of directors via aggressive protest.
- One difference was the 1990s Celtic did have room for improvement/investment unlike Rangers in 2009.
- Rangers' fans need to similarly force change before status quo gets worse.



# Article Twelve (continued)

#### Inherent problems:

- Aggressive protest is seen as undignified by majority of fans.
- Club is still competing stronger than Celtic were in the 1990s.
- Aggressive protest would increase tension and destroy any facets of supporter/club trust.
- No focal point for such protests or protest group.
- Increasing debt and minimal scope for chances of financial flexibility due to outsourced business means entrepreneurs have little interest in the owning the club.

#### Subsequent Recommendations:

- Club must improve supporter relations to avoid the kind of breakdown above.
- Similarly, while success can't be guaranteed, evidence of strategic operations to improve way club is run needs to be provided to impact positive change.
- Supporters must work together instead of the disorganised factions that current exist.



# **Overall Conclusions**

The above articles highlight that many aspects of the way the club is run could be revisited and improved. It is understood that some changes may be financially or logistically unworkable at this point. Indeed, the authors of this report don't expect positive change to happen overnight and we do appreciate the limitations the club are operating under.

Nonetheless it is vital for the club to acknowledge that it is failing in a number of aspects in the eyes of many fans. Ongoing commitment from the fans in terms of record ticket sales shouldn't be confused with blind loyalty. As such, the club need to embrace that devotion by working with the supporters, invite constructive criticism such as this report and look to the future together as one.

Rangers FC are one of the world's most successful and most passionately supported clubs. These factors should be at the forefront of any study on how we can modernise the business to ensure our position as Scotland's best team is not placed under threat.

We challenge Rangers FC and any interested fan to look within and ask if we are doing enough to secure our long term future. As it stands it appears our future is based on hope - rather than expectation via ongoing positive analysis. We expect leadership from the key figures in the club and for them to adapt to ensure that successful future is delivered.

Are we 'Ready' for change?

## **Overall Recommendations:**

- Club must improve supporter relations via the complete overhaul of the Rangers Supporters Assembly.
- From this new organisation, the club and supporters must work together to produce a thesis on our future.
- This should include 1 year, 3-5 year and 10 year plans which are revisited on an annual basis.
- By the club AGM of Autumn 2009, we would welcome a public commitment to the above as well as a full and open reply to the other suggestions in this report.



# **Project Collaborators**

The 'Setting the Standard' project was led by the site administrators of GersnetOnline.co.uk and helped enormously by the administrators of RangersMedia.com.

Both these sites are unofficial, independent, not-for-profit websites with a combined membership of over 12,000 online supporters and both have been running for up to 5 years. The article contributors have experience of supporters representation work, most are season ticket holders and shareholders, a few are RSC members and all come from a wide range of relevant backgrounds; at home and abroad.

Both Gersnet and RangersMedia are involved in various charity initiatives including raising money for awareness in Malawi as well as domestic charities involving ex-Rangers players.

The contributors are as follows:

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