



## Media ALERT on grand prix attendance figures

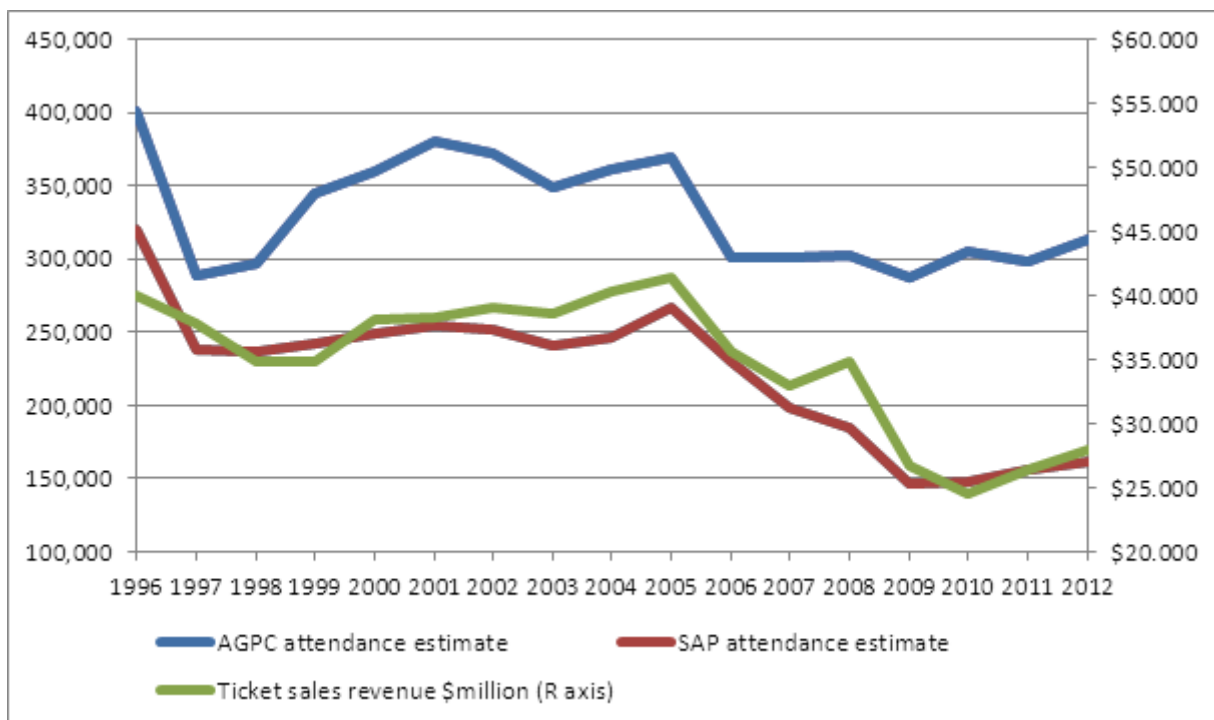
Attached is photographic evidence of one day's grand prix attendees – clear evidence of fewer than 25% of that claimed by the grand prix corporation. Is it in the public interest to report the truth, given the government wants a new contract?

An investigation in 2006 by the Victorian Ombudsman found the Australian Grand Prix Corporation's (AGPC) attendance numbers were estimated and *not* factual

The AGPC admitted at VCAT (2007) *"There was no way we could determine exactly how many people were actually in the venue."* Indeed, their figures never match reality

Victorian Liberal and National members voted down a motion in Parliament (Feb 2013) requiring the AGPC to undertake a full and accurate count of its attendees and to publicly release this information. The Greens and the ALP voted for it. The government – and the AGPC – don't want us to know the facts

- In 2011 and 2012 adjudications by the Press Council of specific reports in The Age and the Herald Sun showed that GP attendance and other claims are *"strongly contested in detailed analyses from other sources"* and the GP's figures are of *"doubtful accuracy"*#1
- The graph shows that the AGPC's estimates of attendance consistently exceed the ticket sales revenue, while SAP's 7-year crowd counts and ongoing estimates consistently match it. It also displays a new level of dishonesty in the AGPC's estimates since 2006 #2



- Comparison of claimed attendances and ticket revenue in 1997 and 2011 reveals an absurd anomaly. The audited ticket sales revenue indicates the official patronage ('unique attendees') claim in 2011 is inflated by about 90% #3
- **The Albert Park venue capacity was stated to be 80,000 when there were more seats #4**
- Given the reduced number and capacity of viewing facilities, daily attendance figures cannot now exceed 70,000. Yet in 2012 the AGPC claimed 81,800 on Saturday and 114,900 on Sunday #5
- **The AGPC may not have told the truth at VCAT in 2007 about their rejection of turnstiles for accurate crowd counts #6**
- Turnstiles and hand-held scanners are *not* 'cost-prohibitive' #7
- **Other major events rent temporary turnstiles and use hand-held scanners #8**
- Attendance numbers are clearly of more concern to the Corporation than revenue - as evidenced by claims of contradeals and the extravagant issuing of free tickets #9
- **The Corporation admitted at VCAT that free tickets are added - whether they are used or not - to the attendance 'estimates' #10**

**#1:** Adjudications in 2011 and 2012 by the Australian Press Council showed the grand prix attendance figures are not to be trusted. In 2012 they concluded "*that the newspaper was well aware of the questionable accuracy of the attendance figures and the public significance of the issue.*" And the newspaper, "*used words which, whatever its intention, added to the perceived credibility of the figures and made detailed and favourable comparisons with figures from earlier times which were of similarly doubtful accuracy.*"

**#2 and #3:** An audited ticket sales figure of \$26m equates to around 60,000 ticket buying patrons and not all of them attend every day. However the AGPC claimed in 2011 that they had 109,234 patrons. (Ernst & Young report, p.17)

**#4:** In 1996 there were 45,000 grandstand and over 20,000 corporate seats. In 2012 there were just 25,744 grandstand and 7,510 corporate seats. Google '80,000 Albert Park capacity' for references to circuit capacity - It is widely acknowledged that 80,000 is the maximum capacity figure for the Albert Park venue (but this information is kept quiet by the AGPC).

**#5:** To get to 70,000 the GP (for 2012) every grandstand (25,744 in 2012) and corporate seat (7,510 in 2012) must be fully occupied, the five grassy knolls at capacity (12,500); add 5,000 not in view and every available general admission area around the track (approx. 4000mts), needing spectators lined at least four-deep (16,000) and then some more. The real crowd can easily be estimated from the television footage and knowledge of seat capacity.

**#6:** As other major events which rent temporary turnstiles and use hand-held scanners have demonstrated, such technology is not 'cost-prohibitive', especially for the responsible conduct of a multi-million-dollar event. At VCAT in 2007 in referring to the cost of installing turnstiles the AGPC stated, "*Yes. It's cost prohibited (sic) We've investigated it and it is cost prohibited for us.*" Now, in a 2012/2013 FOI VCAT case, the AGPC tells VCAT they have no documents on the cost of turnstiles or bar code readers.

**#7(a)** Kaba Australia said it would cost \$200 per day to rent a turnstile (entrance numbers could be reduced) and Track 'n Trace said it would cost \$195 to rent a hand-held scanner for the four-day period. These scanners can be programmed to identify those on free tickets and even those visitors coming into the state for the event.

**(b)** The AGPC already have scanners but refuse to use them for the purpose of establishing how many people actually attend the event. Plenty of free tickets are available but the public have the right to know whether the government and the corporation are telling the truth.

**(c)** 774 ABC presenter Jon Faine's (JF) interview with AGPC CEO, Andrew Westacott (AW), 24 Feb 2012: JF: "Attendances never been independently verified because you've *refused*, unlike every other major event in

Victoria, to take barcodes into your system.” “And you’ve glossed over the point about no barcodes. Why *can’t* you barcode your ticketing system the *same way* every other major event does?”

AW: “What we are doing actually this year Jon is we *are* going to be trialling barcoding because we’ve got the capability to do so. It’s not a case of shying away; it’s a case of actually making sure that for a very *temporary* event across four days we do what is most cost-effective. So this year for the first time we are trialling the introduction of barcodes to make sure we’re getting very good, accurate data about attendance patterns of our customers. So we don’t shy away from anything in relation to attendances and so on. They’re very strong and we’re a very strongly attended and supported event.”

**#8:** Turnstiles are rented on a temporary basis from Kaba Australia for the Royal Melbourne Show, then they go on to Caulfield, Moonee Valley and Flemington for their races. They are put in place each year for the Australian Tennis Open on a temporary basis by the Melbourne and Olympic Parks Trust Management.

**#9: (a)** Contradeals: AGPC CEO Mr. Westacott, in an interview with 774ABC presenter Jon Faine Wednesday 23 March 2011 (0845 – 0900) said, “*In terms of tickets we have arrangements with many of our corporates, many of our sponsors and many of our suppliers as well and some of those people choose to actually, instead of being paid cash, they will say we would much rather entertain our corporate guests to come along and then we’ll do a contra-arrangement. In other instances for promotional purposes we will strike up an agreement with one of our suppliers to do promotions. It might be an alternative radio station to this one. That is a way of getting people to the event.*”

**(b)** Free tickets: The 2012 AGPC annual report stated 747 free tickets given away by ‘responsible persons’ costing over \$500,000. Then there are all those tickets to the schoolchildren, their teachers and any parents and any charities or Universities or TAFEs who want to go, plus tickets to celebrities and government Ministers and to the Corporation’s staff and their mates and up to 70,000 tickets offered to locals. Plus free tickets to all those children under 12 accompanied with a paying adult and to the Corporation’s suppliers. And then there are free tickets to Albert Park sporting clubs. Phew! That’s a lot of free tickets that are not included in the operating losses picked up by Victorian taxpayers. *And why not?*

**(c)** The Corporation’s 2002 annual report stated, “*The success of the event is not only measured by its financial result, but also by its acceptance by the Australian public, in particular, Melburnians.*” So, thousands of free tickets given away will help this “measure” of “success” with Victorian taxpayers?

**(d)** Premier Baillieu in opposition in 2008 suggested that “*better marketing in regional Victoria could be the key to reinvigorate the F1GP*”. (The Age on-line, 3 Feb 2008 – ‘Organisers fight to keep GP in Melbourne’). Like the free tickets given to locals, this does not bring money *into* the state.

**#10:** Truth on crowds would hurt us, admits GP chief The Age 26 Feb 08 by Ben Doherty and Josh Gordon

## **Like the Press Council, SAP believes that reports of the event should clearly convey the ‘questionable accuracy’ of the attendance figures claimed by the AGPC**

**We suggest that appropriate wording in a GP report might be, for example:**

- According to the AGPC’s unverified ‘official’ figures, xxxx attended
- Television and other visual evidence would suggest that attendance totals are much lower than those claimed by the AGPC
- The official figures include an unknown number of free tickets
- The AGPC has again declined to use turnstiles and handheld scanners as do other events

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