

World Sailing Olympic Equipment Strategy

1. Summary

This paper outlines a possible process for providing access for licensing, to interested and qualified builders, for the manufacturing of Olympic Equipment.

After discussion by the equipment committee, and if supported, this paper will become a recommendation not based on submissions for Council.

2. Current Status

Currently the Olympic Equipment licensed manufacturers are as follows:

<u>Class</u>	<u>Licensing details</u>
Finn	No license required
470	License holder is World Sailing
49er	License holder is Julien Bethwaite
49erFX	License holders are Julien Bethwaite and Mackay
Laser	Litigation ongoing on IP rights
Laser Radial	Litigation ongoing on IP rights
RS:X	License holder is Neilpryde Group
Nacra 17	License holder is Nacra Sailing BV

3. Roadmap

The Board has requested that a strategy is put forward by the Equipment Committee which will allow World Sailing to provide access to manufacturing of Olympic Equipment to any interested party who is qualified by 2024.

The licensing of interested parties shall be on Fair Reasonable And Non-Discriminatory (FRAND) terms where either World Sailing or the License Holder is the licensing authority according to published terms.

Finn and 470

As outlined above Finn and 470 already provide access to the market in FRAND terms.

49er, 49erFX and Nacra 17

As retained equipment for 2024, the license holders will be approached in Q1 2020 to negotiate the terms in which they would license their Intellectual Property and what would the financial (i.e. IP Royalty) and technical implications be associated with the licensing

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process, with the aim that an agreed proposal will be put forward to the EQ and Council in the 2020 Annual Conference.

RS:X

In the event the RS:X is retained by Council, a Re-evaluation process for the Men and Women Windsurfer will take place ahead of the 2019 Annual Conference which will include the requirement to license any qualified interested party in FRAND terms in order to be a compliant bid.

Equipment for Men and Women One Person Dinghy

The ongoing Re-evaluation already requires bidders to include in their proposal a method for interested parties to access the market in FRAND terms.

Any New Equipment

Any New Equipment selected for the 2024 Olympics shall be required to allow qualified interested parties to access the market in FRAND terms.

4. Indicative Timeline

Mid-Year 2019: Appointment of equipment for Men and Women One Person Dinghy complying with FRAND terms. Publication of FRAND associated terms.

2019 AC: If RS:X is retained, appointment of equipment for Men and Women Windsurfer complying with FRAND terms following re-evaluation process. Publication of FRAND associated terms.

For any New Equipment, appointment of equipment for Men and Women Windsurfer complying with FRAND terms. Publication of FRAND associated terms.

Q1 2020: FRAND terms negotiations for 49er, 49erFX and Nacra 17.

2020-21 AC: Approval and publication of FRAND terms applicable to the 49er, 49erFX and Nacra 17.

5. Conclusion

If World Sailing follows the above roadmap, it will yield an Olympic Equipment slate ahead of Paris 2024 in which all the equipment is accessible to any qualified interested party in FRAND terms from 2022.

From a technical point of view, once the FRAND terms are available, it will require a new interested party approximately one year for the least complex manufacturing classes and potentially up to 2 years for the complex manufacturing classes to be able to manufacture the equipment. This means that between 2023 and 2024 all Olympic Classes could have multiple competing manufacturers.