

WHO REALLY GETS RICH FROM BSB?

HOW MUCH DOES IT COST TO RUN IN BRITISH SUPERBIKES? WHAT DO THE RIDERS GET PAID, OR THE TEAM MANAGERS? BERTIE SIMMONDS (ALMOST) HAS THE ANSWERS

Photos Double Red, Oli Tennent

Talk of British Superbikes and it won't be long before you're talking money. Big money.

You could get excited about rider salaries of £100,000pa and more. Or of team budgets topping the £1 million mark. Or you could get real fancy, having bypassed discussion of million-pound television broadcasting contracts, and get on to the subject of track ownership, which back in the heady days of 2000 had the Brands Hatch Leisure Group traded for a cool £120,000,000.

Years ago the money didn't matter so much. British bike racing was in the doldrums with little or no TV coverage and not much in the way of gloss or glamour. Then a decade ago the domestic racing scene got a much-needed shot in the arm with a re-structured series and TV coverage.

Since then the profile, and the cash needed to compete in it, has spiralled. So where is the money? Where does it come from? Where does it go? And is it all a good thing?

Ian Simpson is a legend. Five-times British champ in the 90s, he's also the former manager of the ETI, Dienza and Vitrans teams, so it's safe to say he has a vast amount of experience on both sides of the BSB pit wall.

"There's too much emphasis on teams and not enough on riders," says Simmo. "Even the small teams have to spend so much on hospitality, plastic plants, flat-screen monitors and garage boards when they should be concentrating their limited resources on the bikes and riders.

"To me, bike racing should be about bikes and riders and not about who's got the flashiest transporter and hospitality. You have to pay people to keep the garages tidy and the trucks spotless and to cook for guests, and that's what costs. There's too much emphasis on image."



But image, the façade of opulence, was the carrot that got the TV companies interested. And the current live package with ITV is a biggie, as is the package show which graces Sky Sports on the night of the races. Rumour has it that the BSB teams agreed to forego prize money in a bid to get ITV coverage live at the races.

So, let's say, for rumour's sake, the cost of television coverage for the year costs £900,000. But we decide to cut the cost by £100,000 by ditching the on-board cameras. That's £800,000 needing to be found. Hypothetically, of course.

Kiyonari leads the Dash for No Cash. Only a few ride for real money

// EVEN SMALL TEAMS HAVE TO SPEND SO MUCH MONEY ON HOSPITALITY, PLASTIC PLANTS AND FLAT-SCREEN MONITORS //



Inside look Who gets rich from BSB?

Sponsorship from a title sponsor such as Bennetts may pull in around £250-£350K, depending on which rumour you believe, but that still leaves a major shortfall. That money comes from the teams who pay to take part in the series.

Simmo again: "It's about £5000 per rider per year. Which is crazy. Teams shouldn't be having to pay to entertain crowds. It's like expecting a Premiership footballer to buy a season ticket!"

In fact it's easy enough to find out what the entry costs are. Simply go onto the MRCRB website. You can in fact have three easy instalments of £2500, £2500 and £1500 for your season's racing. £6500 in total for the year - for no prize money.

Little wonder that sponsors are the lifeblood of the series. Not only in helping to pay for television coverage but for the weekend-to-weekend running costs of the teams.

If you're lucky you'll have Wrigley's Airwaves paying towards your £1.6 million running costs for the year. That's how much the GSE team budgeted for this year. And even then you can bet that team principal Darrell Healey is soaking up the lion's share of the costs. Expect a top-level sponsor like Airwaves or HM Plant to

// THERE'S NO PRIZE MONEY FOR A SUPERBIKE TEAM. LITTLE WONDER SPONSORS ARE BSB'S LIFE BLOOD //

put little more than around £300,000 into a top line team.

Why does it cost that much to run a team like GSE/Airwaves? Well, you're running Ducatis, which (if you can secure them) will set you back around £150,000 a pop. If you're on a four-cylinder machine things may be easier. After the recent theft - and later recovery - of Shayne Byrne's two race bikes, Rizla Suzuki (who didn't want to help with this feature) admitted that each machine costs around £100,000. HM Plant Honda has in the past claimed their machines cost in the region of £100-£200,000 depending on

Jonathan Palmer (below): "We need BSB to promote our circuits"



How many cameras does it take to film a BSB race? And how many Audis do you need? And sponsors' logos on the leathers? Grid girls? Tyre men? It all adds up

how heavily the factory back in Japan is involved.

Neil Tuxworth has been running race teams for Honda since 1990. He says: "Without looking at the accounts now, it probably costs us around £1.3 million to run the two-man superbike team. This is without standing the costs of assets and Ryuichi Kiyonari's wages - that cost is covered by Japan. It's the same to race in BSB now as it was to race in World Superbikes a few years ago. To run a top-line WSB team today you're looking at nearer £2m."

Tuxworth confirms that there is no prize money for a British Superbike team at all. "No, there's a bonus from the team to the rider in the case of wins. It costs us more than £10,000 for the entries alone for the two riders. From your budget, and this is whether it's World or BSB, 50 per cent will be for fees, staff wages, riders wages etc, while the other half will go on hotels, fuel, hospitality, tyres and the bikes. You've then also got to budget in the use of cars, machine shops, vehicle overhauls, disposable workshop items, hire of circuits, using people for



It costs in the region of £1.3m to run a top-flight BSB team for a season. Great big articulated trucks don't come cheap

press and PR, tests in Spain, depreciation on things like the awning on the hospitality unit, road tolls, electricity rates, collections and deliveries, alarm systems etc. Some people don't realise before trying to run a team and they don't consider all the costs. I've been doing this since 1990 and have a good idea of budgets."

The cost of riders, though, hasn't increased in line with the costs of the series. As an example, Niall Mackenzie bagged £120,000 back in 1997 - including his fee, sponsorship and prize money. Three years later, Steve Hislop was paid £45,000 to ride the Virgin Yamaha R7. Today, if you're top four material you can command a bit of bargaining power.

Gregorio Lavilla, probably the biggest earner in the series, more than likely gets his pay cheque from Ducati in Italy. Expect the canny Spaniard to earn £100,000+ basic, with this rising to around £150,000+ with sponsorship and win bonuses. Which was the kind of money our own Niall Mackenzie was pocketing back in 1997. Neil Tuxworth confirms: "I would expect the top four riders in the series to be making - and this includes fees and bonuses - a six figure sum, £100,000 plus."

Obviously this shrinks to nothing when you get to the middle of the field, and turns into a negative when you get to the back of the grid where riders are either running their own teams on a shoestring, or buying their way into a team with figures of anything between £20-£100,000 being mooted.

While we're talking costs, let's not forget team managers. Ian Simpson says: "Team managers' wages vary a lot depending on the budget, but a top one will be earning around £40,000 a year."

We reckon that's a bit short for the big teams; a decent manager could be on double that. Remember, to a team owner the amount he'd spend on someone as an 'experienced' manager with the talent to save money or pull in sponsorship or nurture



// WHILE IT'S NO MORE DIFFICULT TODAY TO FIND SPONSORS, FINDING ONE WITH THE AMOUNT OF MONEY NEEDED IS //

Running the event itself is another way the money gets spent, and it's the circuit owners who are spending just to get the show on a road-racing circuit near you.

We spoke to Jonathan Palmer, main man at MotorSport Vision and controller of Brands Hatch, Snetterton, Cadwell Park and Oulton Park. We thought we'd see if we could find out what sort of costs are soaked up at the track in a bid to get more people through the turnstiles and into the grandstands.

He admits that the amount of people going through the gates are stable year-on-year, but: "... as to our costs and what we earn from a BSB event, it's a very complex matter. There's one team - which I won't name - where I'm sure the owner is covering three-quarters of the budget."

Who gets rich from BSB? Inside look



TWO's Spuds Mackenzie was earning more 10 years ago than BSB's stars do today. Canny boy

and develop riders would mean he'd be worth the extra outlay.

Ian Simpson reckons that, while it's no more difficult these days to find a sponsor, finding one with the amount of money needed is the problem.

"About 12 years ago, you could have a few small sponsors donating £5000 or £10,000 each and you'd be able to race for a season," explains Simmo, "but if someone gave you £10,000 now, it wouldn't go anywhere. Now you need a budget of more than £1 million so you need a really big sponsor. A major team sponsor usually supplies around half of the budget, and the rest comes from smaller sponsors, the manufacturer and usually a wealthy, enthusiastic team owner. A lot of team owners have to make up the shortfall from their own pockets. There's one team - which I won't name - where I'm sure the owner is covering three-quarters of the budget."



And we shouldn't take Palmer's point lightly. Interpublic Group, the previous owners of Brands et al, the guys who paid the £120m we mentioned at the top of the story, went tits up spectacularly, with reported losses across the group of \$900million. Palmer and his associates, we dare say, bought at fire-sale values. Being a circuit owner clearly isn't all beer and skittles.



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So who is making money from BSB? A select few riders, definitely. A small core of team managers, quite probably. A few TV and media moguls certainly. And we can see that a few managers and technicians, people who make the teams tick, are in fact earning a decent wage – sometimes more than the riders.

But is it all worth it? The show, the racing, the TV coverage?

Ian Simpson: "Sure, British Superbikes are working great at the moment but I can't see it lasting because it's stacked top heavy – all the money is with just a few teams at the top. The huge cost of racing is keeping a lot of talented youngsters out of the sport. Even the smallest team in BSB is probably spending around £100,000 a season."

Progress does indeed have its price.

Gregorio Lavilla's been a breath of fresh air, and he's paid well for it

rates, permanent staff etc. It's a very complex process that means we don't know exactly how much we make. It's very misleading to try and peel off superficial information about one event. It's also commercially sensitive for us. We have to look at the whole year and the whole year's events, trackdays and such. One single event isn't the bottom line for us. Just to give you an idea of our costs, at Brands Hatch alone our rates are £700,000 a year. Salary bills are around £500,000 across all of our circuits. Ultimately the most important thing is how do you do at the end of the year, not at the end of one event."

But there's a lot that eats into that bottom-line. Before MSV took over, the circuits had lost £3 million a year for the previous two years. Add to this, insurance is going up, circuit improvements need to be done, traffic police cost around £6-£7000, security £12-13,000 and marshals £2-3000, plus marketing and advertising costs. Meanwhile grandstand seating, entry fees, stall holder fees and the like contribute to the income.

So, would MSV prefer there to be no actual live coverage of the races to get more people to the circuits?

"It's a debatable point," admits Palmer. "My hunch is that live TV is good as it gets a bigger audience, but the other school of thought is that post-produced package programmes shown a week later give a major benefit in that they motivate the fans to go and see it live. It's also less expensive to do live."

So Jonathan, if it costs so much, why do it? "Simple, we need these flagship events. We need BSB to promote our circuits and get people interested in coming. It's a difficult balance of entertainment and cost. The reason most people do it – guys running superbike teams, racers – we don't make a lot of money, we do it because we love it. I've grown up loving it and for me the satisfaction is now running good circuits, with great facilities and the pride in the venue is immense. Of course to do that we need to spend and also make money or we'll go bust. That's business."



Even the broolly girls can earn a couple of hundred day – probably more than half the grid. Put together

