Open letter from TTE to leagues copied to counties, 10th April 2019

Dear Colleagues,

We are writing to give you some more information regarding the background to the recent developments with TT365. It is important to us that you have all the facts as you debate within your leagues and counties the issues before you.

In June 2016 Table Tennis England and TT365 entered into a three-year contract that expanded their previous relationship. Prior to that, for a fixed annual fee and development costs, TT365 provided the membership system, rankings data and had developed a tournament entry system for Grand Prix competition. At the same time TT365 continued to develop and roll out its League Manager platform. This was undoubtedly a positive step for the sport and as the Governing Body we wanted to encourage leagues to embrace the use of technology. Not only would it modernise league administration but it would provide useful data regarding playing habits, which we could help leagues understand. It became apparent that if Table Tennis England could provide funding for TT365 League Manager that would represent a direct tangible membership benefit for numerous player members. So, at the AGM in 2016 part of the rationale to support an increase in membership fees was that 10% of relevant membership fees would be paid to TT365 so that League Manger was delivered free of further charges to the leagues wishing to use it. In 2018 we decided to go out to tender for the membership/CRM system. This was a business decision to ensure we were using a system that was both 'best of breed' and competitively priced. The tenders were assessed in a transparent manner by a panel including an independent director and an independent consultant. The contract was awarded to Sport:80 for the 2019/20 season onwards. Both in its tender and shortly afterwards TT365 confirmed that it wanted to enter into negotiations about a continued contract for League Manager and the British League site. We agreed.

However, by January 2019 negotiations had not started and the reasons given by TT365 as to why not were not clear. The Board instructed the staff to consider alternative options.

A while ago Table Tennis England had identified that in the future, we would like to develop our own league and fixture platform, an asset we could own and control for the benefit of our members, but it was not an immediate priority. In an ideal world we would introduce such a platform as an alternative choice for leagues. However, once it became apparent that TT365 was in no rush to enter into a new contract we started researching alternatives. In February, Sport:80 introduced us to their strategic partner, Rocca Creative, who specialise in league and tournament platforms. Finally, with a deadline of the March Board meeting looming, we received the proposal from TT365 that costed the League Manager system at £7 per player, British League at £15,000 and additional services such as data and advertising at another £20,000. This represented an almost five times increase on the existing fee. Clearly, this was not affordable, after much consideration we put an alternative proposal on the table that would provide a fixed fee (so not reliant on the number of users) that was close to double the existing fee. At the same time, we announced that Table Tennis England would be developing its own league and fixture platform, one that it would own, but that it would still like to support TT365 as an alternative system. This was not because we didn't think our system would be ready, but it was to provide genuine choice for the leagues and members. It was not our intention or decision for commercial negotiations to take place through public domains, however TT365 decided to place all this information on its forums and encourage public sharing. Some people have commented that four months is a short time to get a new system up and running. We don't disagree but Rocca Creative have an existing product that needed further development but timeframes were achievable so we are working very hard along with Rocca Creative to do just that in response to the situation we found ourselves in back in January/February. The risk we had always

identified of having all our eggs in one basket with one supplier was coming true and we needed to regain control of the service we provide our members.

However, we are not starting from square one: The SportPAD platform has been used by numerous universities for a few years to manage all their intramural sports fixtures. With some bespoke changes it will be fit for purpose as a table tennis league and fixture management system. Three current league administrators have helped with the scope and over 60 leagues have come forward offering to be involved in the testing phase. We are genuinely overwhelmed by that positive response and will work hard to ensure that everyone who wants to be involved can be. We will focus on getting the core essential functionality right first and some of the other 'nice to have' features will come in phase 2. We will keep you fully informed. Leagues have a choice facing them. TT365 has put a proposal to leagues to buy the League Manager system directly. As we said, in an ideal world, we would have funded TT365 so that that choice existed. But not at any cost. We have a duty to members to ensure best value for their money. The development of the SportPAD system, which Table Tennis England will then own, is comparable to one year's existing TT365 fee. Linked with this is the proposition to reduce membership fees to £9 for an adult player member. This is on the basis that Leagues can them spend the £7 saved by each member to contract League Manager directly from TT365. This rationale is flawed. Membership revenue is needed to fund, subsidise or support several aspects of the association's work including customer services, ranking administration, elite performance, AGM, Annual Conference and National Council, the Members' Advisory Group, National Championships and other national competitions, youth products such as TT Kidz, marketing such as broadcast and website services and much more. We will be sending you more information on this as you face a decision on whether to back that proposition or not. We urge you to think of the bigger picture and consider the wider work of the Governing Body to provide a safe and growing sport, not just this issue of TT365 League Manager when making your decisions.

The Board has decided to propose no increase in the affiliation fees this coming season, keeping it at £16 (adult) and £8 (junior). Part of the rationale will be because the membership and league systems will in fact be less costly.

Finally, Chris Dangerfield has publicly stated that he believes that this whole situation has come about because he has sought to challenge the current administration politically. That is not true. The decisions have been made on a business basis. The conflict that Chris Dangerfield has between his commercial and political hats has in fact made it more difficult to take these business decisions, as is shown by the debate we are now having. We will be sending you more information in the coming weeks as you face these debates and decisions. We are happy to talk to anyone and we have offered to personally attend league and county AGMs.

With our best wishes,

Sandra Deaton Sara Sutcliffe Chairman Chief Executive
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