



Ministry of Economic Development

Ministerial Statement
To the House of Assembly

By
Dr. the Hon. E. Grant Gibbons, JP, MP
Minister of Economic Development

America's Cup Update
Friday, 17th July, 2015

Mr. Speaker, I rise this morning to provide this Honourable House with an update on preparations for the America's Cup and some of the outreach activities that have occurred over the last few months.

In January 2015 the ACBDA commenced operations in its Crow Lane offices. It took the company a few weeks to secure staffing and associated resources to become fully operational. This did not impede progress on the preparation of the South Basin at the Royal Naval Dockyard for the America's Cup team bases.

The capital development projects commenced almost immediately after the December announcement that Bermuda would host AC35 in order to meet committed deadlines. In addition to the Oracle Team base, which was completed on schedule at the end of March, two of the existing buildings in the Royal Naval Dockyard--Building Four, also known as the Chicane Building, and Building Nine, which are both located behind the Clocktower Mall--have been completely renovated and repurposed for America's Cup use. These buildings were earmarked by WEDCo for future renovation, but the opportunity for use as part of the

America's Cup venues accelerated work in these areas. It is rewarding to see that the buildings have been beautifully restored and will be a valuable addition to WEDCo's inventory after the America's Cup.

Mr. Speaker, the Ben Ainslie Racing (BAR) team has been active with periodic visits to the island. In January BAR became the first team to commence training in the Great Sound. BAR is currently in the preliminary stages of arranging a Bermuda winter training programme and team base for later this year and beyond. Oracle's first sail was in early May. I am sure that anyone who saw the Oracle Team's AC45 foiling catamaran virtually flying through the air during their first sail on 7th May in the Great Sound would agree that it was an incredible sight. The Artemis Team has also established a base at the South Basin and has been conducting sail trailing on the Great Sound. Later this year they are scheduled to move their current California operations to Morgan's Point. Recently, SoftBank Team Japan announced that they would be moving their operations to Bermuda in September 2015. They too will operate out of the South Basin and will erect a team base later this year.

Mr. Speaker, as of mid-June 2015, I can report that 236 workers were employed in America's Cup related projects in the Royal Naval Dockyard valued at over \$4.7 million. A total of 56 suppliers and subcontracting companies were involved in the projects. This includes 48 Bermudian companies and eight foreign companies. The foreign companies supplied products which were not available on-island, such as floating docks and steel. It should be noted that the \$4.7 million does not include local spending related to transport, shipping, shipping agents, hotels, airlines, etc. It also excludes any vendors directly employed by the teams for security, catering, and the like.

At the moment, tenders are under review for WEDCo's South Basin in-fill project, which is critical to the America's Cup event in 2017 as it will host the Event Village and be the main hub for all of the events and entertainment.

Mr. Speaker, for clarification I believe it is important to note that ACBDA is responsible for the delivery of sites that fall under the Government's obligations under the Host Venue Agreement between the Government and the ACEA. For the most part, this includes providing a flat surface to the teams, and each team is responsible for all aspects of the erection and development of their own bases. Therefore, construction services for the team bases are the responsibility of the teams themselves and not the ACBDA.

Mr. Speaker, to date the America's Cup Event Authority (ACEA) has relocated nine employees to Bermuda and have hired nine Bermudians and two spouses of Bermudians for their Bermuda office. Team Oracle has relocated just over 50 staff members and their families and to date have hired eight Bermudians for their operations. Team Artemis has commenced the relocation of 34 team members along with their families and we expect the relocation of up to 40 team members from SoftBank Team Japan.

These new residents have already started to contribute to our economy by spending on accommodations, utilities, schooling, transportation and general goods and service purchases. Since the beginning of April, Oracle alone has spent approximately \$2.9 million. The ACEA and Oracle have also supported multiple local charities and fundraising events, including the Catlin End to End Fun Walk, The Reading Clinic, The Construction Association of Bermuda Scholarship Fund, the Bermuda High School for Girls financial aid programme and the KBB Island-

wide Clean Up. Team members also participated in the You Go Girl race, with 3 teams running in support of the Women's Resource Centre.

Mr. Speaker, the ACBDA Ltd. is fully engaged in every aspect of short-term and long term planning for America's Cup Bermuda events. Working groups have been engaged to address telecommunications, security, transportation, health and safety, economic assessment, business connect, hotel capacity, communications, sponsorship, super yachts, community sailing programs and legacy and sustainability.

Additionally, with the support of the ACEA, the company hosted a series of America's Cup awareness meetings with local businesses, the international business community, and organizations including the Chamber of Commerce, Bermuda Industrial Union, Leopard's Club, the sailing community, and other stakeholder groups. The company also hosted a Town Hall Meeting on the 21st of April at the Heritage Worship Centre in Hamilton, which was very well attended.

ACBDA also worked in collaboration with the ACEA, Bermuda Economic Development Corporation and the Bermuda Chamber of Commerce to host a series of Business Connect meetings, where local businesses and entrepreneurs were informed of opportunities for participating in the Louis Vuitton World Series, the first America's Cup event in Bermuda scheduled to be held from the 15th to the 18th of October this year. The meetings hosted over 300 attendees across three separate information sessions at locations in the eastern, western and central parishes. The local community has responded, with over 200 local businesses and entrepreneurs registering with America's Cup Business Connect. In addition, over 160 volunteers have registered their interest and completed the AC35 volunteer application form

on the ACBDA website. Members from the Business Connect representative groups will serve on a committee to select vendors for the October 2015 World Series activities from the list of more than 200 Bermudian businesses and entrepreneurs who have registered.

The Louis Vuitton World Series will include an event village on Front Street and sailing races in the Great Sound with the finish line in front of the Front Street activity. Festivities are scheduled from Albouy's Point along Front Street as far as Parliament Street. Those areas will be closed to vehicular traffic during the weekend's events. The Corporation of Hamilton has been fully supportive and cooperative with both the ACEA and ACBDA to ensure that the event in Hamilton is successful.

The weekend will kick off with a press conference on Thursday, 15th October, followed by a regatta and entertainment in St. George's. The Bermuda event follows World Series events in Portsmouth, UK, from the 23rd to the 26th of July, and Gothenburg, Sweden, from the 27th to the 30th of August. A small contingent representing Bermuda will attend the overseas events. This will give Bermuda exposure to how other hosts facilitate the events in preparation for the Bermuda event in October 2015.

Mr. Speaker, I'm pleased to report that over the last few months the ACEA launched the Endeavour Community Sailing Program and this week completed the logistics for the Red Bull Youth America's Cup Program.

The ACEA has worked with the Ministry of Education and private schools to include the Endeavour Community Sailing Program in Bermuda's schools. The

program will enable all M1 and Y7 students to experience Science, Technology, Engineering and Maths (STEM) through sailing experiences. It is an enhancement of youth engagement through experiential learning and inspires future STEM career pathways. It will be an opportunity for our young people to build self-confidence and increase their understanding of water safety and sailing knowledge. It also provides access to boats and on-water experience with certified sailing instructors. The key component of the program is to deliver long-term legacy opportunities for Bermudian youth to develop careers in the sailing and marine industries.

The Red Bull Program is an opportunity for our community to connect more closely to the America's Cup as we support a Red Bull Youth Bermuda Team in 2017. The announcement was made this week that Bermuda is seeking to enter a youth team and participate in the America's Cup Youth competition. This is a significant moment in our sports history and for our young people. For the young athletes who will make up the Bermuda Team, it is a chance to be exposed to new technologies, world-class training and the very best of professional standards. Considering that this opportunity exists for not just sailors but all athletes brings a level of inclusion that is exciting and important for Bermuda.

Mr. Speaker, youth encouragement and participation is paramount to the ACEA. Since April of this year, approximately 160 local students, ages 12 to 14, from the Ascendant Group STEM Summer Camp, Spirit of Bermuda middle-school participants, and the Bermuda Sea Cadet Association have been given the opportunity to tour the Oracle Team Base. In addition, the ACEA community outreach team visited Northlands Primary School in partnership with the Bermuda

Education Network Horizons After School Programme to present and hold a discussion session with P4 and P5 students.

The ACEA launched a Trophy & Prizes Competition in June 2015, providing the opportunity to showcase local talent in Bermuda by designing the trophy and prizes to be awarded to the top-ranking teams during the Louis Vuitton America's Cup World Series event in Bermuda in October 2015. An Endeavour Poster Design Contest was also launched in June. The contest will provide students across Bermuda aged 9 to 14 in public and private schools with the opportunity to design a poster for the Endeavour Community Sailing Program.

Mr. Speaker, Gosling's Brothers Limited, Louis Vuitton and BMW have been announced as key partners for AC35. Bermuda will definitely benefit from the value and prestige of these brand associations as well as the PR and marketing opportunities that these companies will leverage for the America's Cup and Bermuda. This is certainly another validation of Bermuda as the choice to host AC35 and an association all Bermudians can take pride in.

Mr. Speaker, in closing I would like to thank the ACBDA team, the various subcommittees, Government ministries, the ACEA, the Corporations of Hamilton and St. Georges, the BT A, WEDCo, the racing teams and the numerous volunteers who have been working hard to make the Bermuda America's Cup an extraordinary event. At this point, we are only six months into a two-and-a-half-year programme, but I will continue to update this Honourable House and the public on a regular basis.

Thank you, **Mr. Speaker**.