



11th November 2020

iFollow for Season Ticket Holders, Finance and the Future

Following the announcement by the Prime Minister of the second lockdown on 31st October 2020, the Chairman, Board of Directors and all staff of Shrewsbury Town Football Club would like to convey our thoughts and concerns for the health and well-being of all of our supporters during these unprecedented times.

The Club, like all EFL members, are being instructed to play their games, despite the successful pilots, without supporters. This effect on the finances of all the football clubs is catastrophic. We have had none of our normal - or any new - income since March 2020.

We have had a number of season ticket holders contact the Club recently, to ask for clarification of our policy on iFollow and season ticket refunds. Whilst this is a very complex issue, we will do our best to explain the detail.

Due to being forced to play the last few games behind closed doors on Government advice, we have been left with no alternative, like all 72 EFL Clubs, to issue season ticket holders with a streaming pass to watch the home matches live - for which non-season ticket holders pay £10.

Whilst we can appreciate that some people may not utilise the streaming service, we have found ourselves having to deal with this very difficult situation;

In the days approaching each home league match, we receive a list of approximately 2,700 codes (one per season ticket holder) from EFL Digital. It is then the Club's responsibility to allocate a code to each season ticket holder and then distribute them. The distribution of codes on a game-by-game basis is a very time-consuming exercise, particularly when we are working with a skeleton staff. However, we have had no other option until there is some relaxation in the rules and supporters are allowed back into stadiums.

We do not receive feedback regarding which codes are used and which aren't, and even if we asked for the information from EFL Digital, they aren't aware of who we have allocated them to. It would take our staff a number of days or weeks of work after each home game to tally up those codes not used with who they were allocated to originally.

If we had known prior to the start of the season that codes would be issued for the first five+ home matches etc then we would have worked on a system of doing this. To contact 2,700 individual season ticket holders now, to check whether they wish to opt-in or opt-out of iFollow and collate the results would be another lengthy process with the numbers involved. We currently have just three Club staff working, with the majority of the others on furlough or unfortunately having been made redundant.

We all believed that after all the hard work and expense that was put into our very successful pilot match against Northampton, with 1,000 supporters, that none of the codes would be necessary going forward, and even when the Government 'paused' the return of fans just seven weeks ago, we assumed that this would just be a temporary measure for one or two matches.

It is also worth noting, that over the past few weeks since the return of supporters was 'paused', we have been given some hope that fans would be allowed back because there was the potential for Salop to be involved in 'Operation Moonshot'. This was the Prime Minister's plan to get supporters back into stadiums through mass testing (using the 20-second test) on entry, and also the potential for the decision on crowds being able to return being devolved to Public Health England and the local Directors of Public Health, but there is no final decision on this yet. Thankfully, Shropshire's health stats are in a far better position than many other counties, so this gave us hope that our season ticket holders could return to matches more quickly.

We appreciate that if the current situation goes on for the full season (which we certainly hope it doesn't), the 23 games at £10 adds up to £230 and that most people have paid more than that for their season ticket. We are fully aware of this and will look to see what's possible, once we know when season ticket holders can return and how many live games they will have missed. However, if the worst-case scenario did happen and all 23 games had to be played behind closed doors, and if we then had to deduct the loss of the difference in the value of iFollow and what has been paid by a season ticket towards next seasons season ticket, we could potentially be losing 35% or so of next season's season ticket income, and the stark reality is this will severely affect our budget for 2021/22. It's a catch 22 for the Club and we all hope that the health stats can improve and common sense will prevail and we can get the chance once again to prove that football, as an outdoor sport, can safely return with games being played in front of a crowd again.

This is the rationale behind why the EFL developed the idea of the streaming codes, to offer them to season ticket holders (rather than charge £10), to minimise refunds and give season ticket holders a level of benefit. Over the past eight+ months, the only income received by the club has been EFL central income and an EFL loan, which we have to pay back. All Clubs had a PAYE deferral for three months between April and June 2020, which we are all now repaying to HMRC in addition to our normal PAYE monthly payment.

We are very concerned about the future of football and football clubs generally. Clubs cannot continue to survive without income, as we don't operate like normal businesses; we don't try to make a profit, merely to break even. Yet at present, with no income for such a length of time, we still are incurring the costs of playing matches behind closed doors. If all season ticket holders at all 72 Clubs in the EFL feel that the cost of the codes shouldn't mitigate some of the cost of a season ticket, then many of those Clubs will fold - many clubs are already on the brink.

Two of the Club's main income streams; matchday and Conference/Events income have been decimated completely over the previous eight months. In an effort to cut costs therefore, we have, for the first time in our history, had to make a number of Club staff redundant across many departments. The staff involved had a combined service of 66 years. This is mainly due to a lack of work through the inability to have matchday crowds and also to facilitate Conference & Events. We would like to thank each and every staff member who is in this very unfortunate position, for all of their hard work for Shrewsbury Town Football Club, and wish them well for the future.

There has been a lot of discussion about bailouts and help from the Government for clubs like ours, but nothing has been forthcoming. The EFL and the Premier League have been talking about a rescue package since July, but unless action is taken soon, many clubs will be closing their doors.

With the country now back in lockdown, everyone at the Club has concerns about the welfare and well-being of our supporters. Football is not the same without you in the Montgomery Waters Meadow, or at away grounds and we are all very aware of how important Shrewsbury Town is to our community in so many ways. To this end our charity partner 'Shrewsbury Town in the Community' will be reaching out to our older season ticket holders once again, to check on their well-being and offer assistance during this very difficult time for everyone.

Please all stay safe. We all hope things will improve quickly, to allow the safe return of everyone to the stadium as soon as possible.

A handwritten signature in black ink, consisting of the letters 'BC' followed by a long, sweeping horizontal stroke that tapers to the right.

Brian Caldwell
Chief Executive & Company Secretary