



Structured Dialogue Meeting

Friday 21st January 2022, 11am

Bearwood Park

STAR Board members in attendance: Paula Martin (PM), Roger Titford (RT) & Ben Thomas (BT)

Reading FC officials in attendance: Dayong Pang (DP), Bryan Stabler (BS), Mark Bradley (MB) & Jackie Evans (JE)

STAR: Thank you for meeting with us today. We play a key role in listening to our fans and 'reading the room'. Our people on Twitter and on other social media platforms, including fan chat rooms, have gathered the key points our supporters have raised. The mood has not been good, as we hope you already know. For our older fans, this is not the worst crisis the club has had. But for the younger generation, the generation most vocal on social media who have seen success in the new stadium era, it is. Fans are currently holding back from protesting at how they feel about the club, how they feel the club is being run and they want to hear some positive changes coming out of this meeting. And STAR has some suggestions to offer.

Reading FC: Thank you. We are interested in your views and the views of our supporters and want to listen to them and work together.

STAR: To begin with, we want you to confirm the club's formal structure, to get an understanding of the decision-making processes. It is difficult to find some of this information, but we understand this to be:

- Owner - Dai Yongge
- CEO - Dayong Pang
- Directors – Dai Yongge, Xiu Li, Dayong Pang and Narin Niruttinanan
- Senior Management - Bryan Stabler, Mark Bradley, Sue Hewett and Jackie Evans
- Various Heads of Departments (based both at the stadium and at Bearwood)

Reading FC: Yes, that is correct on the club's staffing structure. The names of the Directors are posted on the website as it's a requirement of the EFL. And a Who's Who page is also on the club's website.

STAR: It is still very difficult to find some of this information and this needs to be signposted much more clearly.

Reading FC: We can certainly make this more prominent and clearer and include them on the Who's Who page on the website.

STAR: Then moving to the football management group, we understand that we have the player recruitment group, which we believe needs to be much more visible. We understand that this consists of Dayong Pang, Bryan Stabler, Pauno as first team manager and Michael Gilkes. We also understand we have Seb Ewen as Head of Recruitment.

Reading FC: Jason Lawson is Head of Recruitment at the club. Seb reports into him.

STAR: Ok. That's not clear to us and, I'm sure, other fans. Do we have a scouting network, then?

Reading FC: Yes. Seb reports to Jason. In terms of scouts, we have a network of scouts - mostly UK based but not only looking in this country. They are out watching games and analysing players. We also have an Academy recruitment group too, which operate below the first team level and they scout for all the age group teams we have.

STAR: So when you are looking for players, do you use first-hand viewings of the players or agent videos or a mixture?

Reading FC: It's a mixture – videos from other clubs, matches on a central system and scouts going to games in person. Basically, we have a portfolio of players that we keep tabs on. If the manager says he needs a player in a certain position, we go back to the portfolio and narrow down potential targets.

STAR: So where is the recruitment focus right now?

Reading FC: Right now, it's about getting the players in we need in the short-term to bolster those positions the manager feels he needs to. Obviously, we are a couple of players short of the allowed EFL quota of 25.

STAR: So, the plan is to fill those positions?

Reading FC: Yes.

STAR: Let's hope so. The recent signings of Dann, Drinkwater, Azeez and later, Carroll, show a shift in the type of player we are going for and the profile of the player we are looking at. We aren't spending money on long term transfers, for example Puskas and Aluko type transfers. Would you say we are being successful in the transfer market?

Reading FC: Considering the pool of players we have been restricted to this season and last, we think fans would agree that the most recent transfer activity has been relatively successful. These have not been long-term contracts, but loans or short-term free transfers – with both experience and young talented players recruited. And we tried to be as active as the restrictions would allow in the summer. But we are fishing in a different pool at present, looking at out of contract players or loan acquisitions for instance.

STAR: We wouldn't dispute that the calibre of player has been good or hasn't been good, that's not our role. Performances are a different matter though. Supporters are concerned about the summer and the amount of players out of contract, but we will come back to that. Moving on.....supporters want clarity about where the club is going. Based on what you've told us in the past here's what we think the club's objective and strategy is. We want to check it's still valid. So, the overall objective is to get to the Premier League and stay there for several years?

Reading FC: That is probably every team's mission statement, we'd think. But obviously that's not realistic this season. Right now, the objective has to be staying in this league.

STAR: So how are we going to realise the overall objective? Firstly, by the owner investing significantly in the strength of the first team?

Reading FC: Which he has done, yes. Like other owners, our owner has gone for it. But now we recognise that we can't keep throwing large sums of money at the playing squad and that it needs to

be more sustainable in the long term...that is where we are right now. Our circumstances mean it has to be a change of strategy going forward.

STAR: Secondly then, 'by investing in and maintaining a Category One Academy which produces players for the first team and players for re-sale transfer value?' Of which we could use Richards and Olise as recent examples, but only Olise brought a fee in...

Reading FC: Yes. Olise's fee was a record fee and we did receive compensation for Omar. But we have to get that balance right of giving a pathway to the Academy players to the first team, considering their potential and long-term future here, but also potentially selling them to larger clubs.

STAR: And thirdly – 'by attracting higher performing staff, including players and coaching staff, through offering quality working environments', for example the training ground, stadium?

Reading FC: Yes. These points all seem correct in terms of the long-term objectives that have been set.

STAR: Are you happy we publish this as our view of what the strategy is then?

Reading FC: Yes, these remain our broad long-term objectives. Alongside that, the key core values of the club are based on a large consultation we did with supporters a few years ago – they focus on Friendship, Community, Commitment and Ambition.

STAR: If we look at the 'Reading story' since 2017, the league positions have been 20th, 20th, 14th, 7th and now 21st at the time of this meeting. On top of that, what we are left with is huge expenditure on transfers, wages, loans and agent fees which has resulted in big losses, the sale of assets like the stadium and players, penalties imposed by the EFL such as points deductions, restrictions on player transfers and poor league positions, last season being an anomaly. Which leads us to the question: what has gone wrong? In many supporters' view, we've acquired too many players that have not consistently performed, brought in managers without the relevant experience and changed tack too frequently. Five managers, four CEOs if you include Nigel Howe twice, and several director of football type roles. These points don't fit the mission statement for us. Ultimately, what's gone wrong?

Reading FC: We are currently correcting poor decisions made in the past, including from previous owners. These are mainly financial and some recruitment-based issues. But it is right that we are having to reset now. We are working with the EFL and our budget accordingly while trying to stay competitive and attractive. And it's not easy! The owner has given it a real go, but he understands the restrictions we are under now and is compliant with them. We have to get a balance at the club. But we also know these accumulated issues have come to a head this season.

STAR: We want to talk about the agents and their role in the club currently as this is something which is very concerning to the fan base and us. This is a quote from Kieran Maguire from his book 'The Price of Football':

"There are some clubs who are "agent led" and partnered with a specific agency where a club manager or other senior staff member's representative then becomes the preferred person for negotiating deals. Agent-led means that the club's transfer policy is to an extent determined by the agent rather than the scouting team" pages 73-4.

So, are we an agent led club?

Reading FC: No, we aren't. The transfer data is openly published every year and the agents or the agencies involved with those deals are no secret, it's public information. We have two, maybe three

players with the same agent currently - no more than that. So there is no monopoly. And the players change their agents regularly of course anyway. But any fan can check online for the agent information.

STAR: So, in your view, we are looking at, what, players from 12 different agents then?

Reading FC: Roughly speaking, yes.

STAR: Are all agents independent of each other?

Reading FC: It depends if they are part of an agency or 'stable', but most are yes.

STAR: Well, one name comes out regularly in press coverage and with our fans and that's Kia Joorabchian. What is the extent of his influence here? Two major articles in the Athletic and the Guardian have suggested his involvement.

Reading FC: His company is Sports Invest and that company was involved with Lucas Joao coming here. He was also partly involved in the Matt Miazga deal when he came on loan from Chelsea as he was with Sports Invest US.

STAR: So, why then, does he get mentioned so much? Do you have any idea why this is?

Reading FC: Well, he is a friend of the owner, as we've said before many times. He has attended games with the owner. Some of us have met him briefly, when he has been at the same event as the owner – usually along with a number of other agents too. But that's it.

STAR: So, from your view, Kia has only been involved in Lucas Joao then and not involved in any other transfers?

Reading FC: Yes, off the top of our head. And the Miazga loan as mentioned. But this is all available online so you can research it if you want.

STAR: Let's talk about the current situation. In terms of where we are right now, in January 2022, we are in serious danger of relegation to the third tier for the first time in 20 years. The six-point deduction might make the difference, which would be even worse in our view. This would be a disaster, both in terms of finance and it could take us years to come back. There are some fans who think being relegated would not be that bad a thing, but STAR does not share that view.

Reading FC: Of course. There are plenty of examples of clubs who haven't bounced straight back - Charlton, Sunderland, Ipswich, Portsmouth...they have all been relegated from the Championship and are still in League One, so we are aware of the impact not just on first team activities, but on all our teams and all the staff connected with the club too. That is why our short-term objective has to be to stay in this division.

STAR: We know the constraints on the first team and the club overall, that's been obvious for a long period of time. In isolation, these would have been a problem. Altogether, they've made for a disastrous season. Do you feel you could communicate with fans more around some of these?

Reading FC: We know. It can seem like everything we've tried to do hasn't worked and when we have communicated with fans, it has often been met with more negativity.

STAR: So really, at this stage, the question is what is our short-term strategy to get us out of this mess and keep us in the division?

Reading FC: Win games. And, we have the potential to add to the squad, with some spaces within our 25 players vacated by Rafael and Andy Carroll. And we are hopeful of filling these spaces.

STAR: What's the percentage chance of that happening? 50%? 60%? More? Less?

Reading FC: We can't put a percentage on it. But we are hopeful. We are working very hard to recruit and working to the deadline of the 31st January, although we know we have a little bit of movement with out of contract and unattached players after this deadline too. However, the sooner we get the players in and they are working with the squad, the better. In terms of communicating everything – our targets, our transfer intentions, we have to be aware that saying too much publicly can have an effect on us achieving those targets and an impact on the current players within our squad.

STAR: Well, we need to freshen up the squad.

Reading FC: Remember also that we have a lot of players coming back. Yiadom and Baba have just arrived back from AFCON. Joao, Ejaria, Hoilett are back training with us, playing or are very close. Morrison has just come back, Rinomhota too. Dann is not far away. Meite and McIntyre are out on the training pitch. These are like having new players back and we haven't had these for a long, long period of the season. We know that the schedule will be a little kinder to those players too, with Saturday to Saturday games and then the Stoke game being moved too. It gives these players longer on the grass and to get minutes back in their bodies. All being well, we will have the strongest squad we've had for a long time, probably more so than at any other point in the season.

STAR: The recent results in Kidderminster and Fulham have been huge, huge blows to fan morale. In the context of the season, they have been truly awful. Does the manager realise what losing to a non-league club means to fans?

Reading FC: We were, all of us, very, very disappointed with those games. Some of us were there as fans and it was awful at Kidderminster. The manager knows too. But he had to use a team he hadn't planned to.

STAR: What do you mean?

Reading FC: There were planned substitutions. Tom Holmes was due come off at half time and did. But there were two or three injuries that completely threw the plan. Other players were not due to play as much as they did in that game. But it was not a result we had expected or wanted and we know how the fans feel about that, of course we do.

STAR: So how do you respond to those fans that are embarrassed to be fans of this club?

Reading FC: That's not for us as individuals to respond to, but we feel the frustration too. And we're all trying to put it right in an incredibly difficult situation.

STAR: But someone needs to respond. Those two results aside, we were told by the manager after Middlesbrough that there would be a response against Luton and we get served that performance. What's the response to that?

Reading FC: No one connected with the club was happy with that. The players, manager, everyone. We made them look like they were a team much, much better than us - as the manager said.

STAR: I just couldn't believe it, to be honest. And I'm not sure that the other fans could either. Had we won, it's a slightly different picture. Or even shown some fight. But we didn't. Were you concerned about the attendance too?

Reading FC: Yes. We want more fans in the stadium – and we’re expecting a good crowd for the Coventry game next month which we’re all looking forward to. But we also need results and the team to be performing to raise attendances.

STAR: So, share your short-term strategy with us then, please.

Reading FC: It’s clear that mistakes have been made in the past. We’ve got to stabilise the club off the pitch in terms of finances and transfer deals and look for longer, better transfers into the club. That’s the priority. Now, that is not a model we can use immediately. The owner has had a go, some of those things have worked and others not. From a finance point of view, we’ve had to take stock and re-adjust our targets, both short and long term.

We need to stay in this division and we are doing everything we can, Pauno is doing everything he can - but it’s not been easy for him and he knows results need to improve quickly to lift us, both in terms of morale and league position.

STAR: Let’s talk about the owner. There’s no communication directly from him. We had the Liam Moore statement, which we believe was from him, but other than that there is drift and silence. Is the owner aware of how much the fans want to hear from him, whether that’s a video through an interpreter, anything really?

Reading FC: In this room, we understand that. We hear you and the fans, we’re trying and we’ll make these suggestions. The owner does like to do things quietly, but given the current situation, it would be wise for us to explore an opportunity for him to speak and for us to consider how we improve communication lines moving forward.

In terms of the owner, just because he isn’t physically here every weekend, it doesn’t mean he’s not present. When he has been at games, you can see the passion he has for the club. There is constant communication with him from the club - every Sunday morning there’s a weekly report back to him. He’s limited in how much he can travel of course – it’s a 21-day quarantine at the moment in Hong Kong after he’s been to UK! But look at the money he’s spent on and off the pitch and you can see his commitment.

STAR: Our fans need to hear from him, so we’d like to see that change quickly. Coming back to Pauno, is he staying as manager?

Reading FC: We are all aware of the need for improved results, none more so than him. We have a large number of players coming back from injury and illness and so we will have the strongest squad, depth and experience-wise, that we’ve had all season. This will be like having new signings in the squad for the manager.

STAR: We’ve noticed, over the years, that we’ve missed out on potential transfers that would have been comparatively cheap but would have provided quality and then sell on possibilities for us. For example, George Puscas over Ivan Toney, Felipe Araruna over Perry Ng. Does the club need new transfer advisors?

Reading FC: We know mistakes have been made. We have to build the team better and that’s what we have been working on. We have a desire and a plan to recruit smarter and we are hopeful this will be shown moving forward.

STAR: We have all heard the clamour from fans about having a ‘new spokesperson’ for the club, someone respected from the club’s past, who cares about the club and will speak to fans.

Reading FC: It's a good point. We could use somebody else as an additional voice. It's basically been Pauno fielding everything and that's something we would like to look at. It is admirable that he takes the responsibility for it all, but we agree that both he and the club would probably benefit from not having to do it as much as he does. What do STAR think?

STAR: We feel that we need someone in that role. Whether that's an official Director of Football or not, we would like to see that happen. How about Michael Gilkes or Mikele Leigertwood to do that?

Reading FC: We're not sure that would work as they have responsibilities elsewhere in the club – Gilkesy is the Academy Manager and Ledge is in charge of the Under-18s. Any spokesperson role would take them away from those vital roles. And it would not be easy for them to combine their Academy work and comment on first team or club matters.

STAR: Ok, but we do we need someone else to do this visible role. Someone like Brian McDermott? Whether he is the right person is debatable, but along those lines.

Reading FC: We do hear the fans on that and finding another voice is something we can look at seriously. We can appreciate the benefits.

STAR: We all understand the position we are in. The attendances are falling, morale is low so how about finding a way to change the narrative? Embrace all these difficulties and make them a backdrop to a Staying Up campaign, a Great Escape theme? Not going down in the 150th year?!

Reading FC: We can't force people to come to support us. And the team need to be winning on the pitch to change that trend in the long-term...we understand why some fans are staying away.

STAR: But a campaign, some sort of incentive, anything, might hit home the importance of the situation?

Reading FC: We agree. We need the fans. But we also need results to allow anything we put out to be met with something other than disapproval and negativity. We do want a shift in emphasis though in terms of the mood and the message.

STAR: We've got, what, 18 or 19 games after Huddersfield? The next home game against Coventry is the 150th celebration when there will be a big crowd in – can we make that a starting point?

Reading FC: We agree that's a good idea. We are working on ways of making sure those people who we have attracted to come to that game, then come back again. We respect that the results haven't been good and understand that as a consequence people would stay away – especially on cold midweek evenings. We don't want that, but we understand. But those final home games will be vital for us.

STAR: We need a siege mentality at the club, like Derby have. You know, this kind of "us against the world" mentality with everyone pulling together. They could overtake us in the league! Why is that mentality absent here?

Reading FC: It's not as strong for sure, but there is a desire to do better and pull everyone together. And we need to change the message in our communication to supporters, and try to connect fans with everyone at the club.

STAR: How about using volunteers? It's not just STAR who have an interest here. The fan sites, Club 1871, they all want an input and they care.

Reading FC: Using volunteers is great and something we'd definitely consider. It is difficult though. We have asked before and it's been met with little to no response. We understand the feeling is stronger now, but you know as well as we do that people can be reluctant to offer time and help.

STAR: Yeah. We've had our fair share of abuse and apathy.

Reading FC: You've got new board members now, but for a long time you found it difficult too.

STAR: We did. But we are changing, and the club should look to galvanise the fanbase in supporter liaison roles. There are a lot of people who care and who want to help and not just take pot shots on social media.

Reading FC: We are open to it. We just need to think about the roles they could do for us and we can draw up a plan and reach out.

STAR: In terms of a medium-term plan, there needs to be one, given that financial constraints still lie ahead and the number of players out of contract this summer is big. We understand that salary cost restrictions for players will be challenging to meet but if the EFL conditions are met, we will be free from these restrictions in 2023-24?

Reading FC: That's correct.

STAR: So whether this medium-term plan is made public now, this season, is up for debate, but there needs to be one. We need to reset our aspirations and time frames. Does where we are now change the club's 'mission'? Can we get more players from the Academy?

Reading FC: We are thinking about how to communicate the plan with fans. Whether we produce another mission or vision document with the help of fans...maybe. But we agree that this is something we need to look at. We want to be in the Championship next season and then there will be a fair amount of change in the summer, obviously.

STAR: Will the implementation of the FLR (Fan Led Review) have an impact on the governance of the club?

Reading FC: We will need to look at how things are done for sure. The owner wants to call the shots and that is fair. It's his money, his passion. There aren't any easy fixes to what is happening here, but he wants to fix them and move forward. He does. In terms of the FLR, there may well be some resistance on a wider scale within football in terms of proposed government involvement. But we have looked at the document and know it could work here. Particularly with more fan involvement. The fans role in this is the most important part of the FLR and the way we get their views on the running of our club moving forward.

STAR: Two specific elements from the Fan Led Review then. First, the 'Golden Share' on protecting club heritage items like the club name, home kit, badge, location and so on. We think you could announce now that you could hand that responsibility to STAR as we're the only body constituted to take it. It basically gives fans the veto over unwanted changes to the club's cultural assets. Think back to Cardiff as an example with their kit colours....

Reading FC: We agree we should look at moving that forward.

STAR: That brings us on to the 'Shadow Board' – consisting of supporters, based on STAR but not wholly comprised of STAR people. Other clubs are setting these up already. We'd like to be in discussion with you on this by the end of this season.

Reading FC: We're happy to have a discussion on that and we can work together on timescales for that. We do have these Structured Dialogue Meetings as well as the operational and the Fan Engagement Panel forums. But if a 'shadow board' is useful in addition to these, it should and will be considered.

STAR: Either way, the community element and fan involvement are not perceived to be part of the owner's core mission. So, with the shadow board – which would consist of fan voices to help advise the club and vice versa, we'd expect that to change and be a much more prominent part of the club.

Reading FC: So we'd look to run that separately, like board meetings, more regular than these SD meetings?

STAR: Exactly. That's what we and our fans want to see. Fans being consulted on non-playing matters. Having fans as a more integral part of the non-playing decisions.

Reading FC: We would welcome this moving forward.

STAR: The quote from the FLR report is:

"A 'board' of supporter representatives to discuss the business and strategy of the club in more detail than other forms of engagement". (pages 92-95).

We'd like this to be in place from the beginning of the 2022-23 season.

Reading FC: We would need a separate meeting on this, which we are happy to have and discuss in more detail. But yes, we have read the document and understand the concept of a shadow board and if we all think it is beneficial, we would want to implement this in good time.

STAR: With this in mind, the club can then look at the Fan Led Review recommendation on Non-Executive Directors which could add helpful lines of communication to the fan base. Although it is important to note that STAR would not necessarily be the ones volunteering for any Non-Executive Director position.

Reading FC: Agree that this also could be good to bring the club closer to the fans.

STAR: To summarise this is what we hoped to achieve at this meeting and what we want to see as outcomes moving forward:

- Confirmation or clarification of our understanding of the club's mission and decision-taking structure.
- Acknowledgement of, and ideally response to, our concerns about player recruitment / retention at a strategic level.
- More regular communication from the club's most senior representatives, reflecting and representing the owner's plans and wishes, ideally from him.
- Active and immediate consideration of a campaign to galvanise support and positivity around a 'save this season' message, including input from the owner.
- Steps towards embracing 'fan engagement' element of Fan Led Review, specifically Golden Share and Shadow Board.
- The sharing of the output of this meeting with the owner and ideally his feedback.

STAR: I'd like to read a text from my dad that I got last night (Thursday). "Remember I took to you to your first game when you were 6. You've just done the same with your son. Remind the club that he needs the opportunity to do the same with his children."

Reading FC: Thank you for reading that to us. We understand the sentiment involved.

STAR: We are in serious danger of getting relegated. I have never been more concerned about the club than I am right now. The fans need reassurance you are doing everything you can to keep us in this league and move forward.

Reading FC: We appreciate the angst, the frustration, the worry...we do. We can see it around the club. We understand the feeling in the fanbase, we read social media, see the low attendances. And we want this to change. Some things will take time, but we acknowledge that there are things we can look at quickly to begin to do this.

STAR: Thank you. We want to put out a short statement after the meeting and then will get the notes typed up and thank you for delaying your next meeting so we could cover all these important matters.

Reading FC: That's fine. Thank you for your time and for speaking with us.