

## Automobili La'Bergitla

**Single Suppliers and Tendering: Frequently Asked Questions** 

#### 1. Introduction

As the organiser and rights-holder of the Automobili La'Bergitla Endurance Series, Automobili La'Bergitla ("ALB") assumes both regulatory and organisational responsibilities.

Its regulatory functions include ensuring that the Endurance Series is conducted in a manner that is safe, fair, and orderly. ALB achieves this by exercising regulatory powers set out in its constitution and governance framework. As part of its role, ALB maintains a comprehensive regulatory system to ensure that all equipment and activities within the Series meet strict, objective standards of safety and fairness.

These safety and fairness standards are set out in ALB's Sporting and Technical Regulations, which all competitors and events within the Series must comply with.

In addition to its regulatory functions, Automobili La'Bergitla also acts as the organiser of the Endurance Series. Like other major sporting bodies, ALB's own events must meet the same rigorous safety and fairness criteria as those organised by any third party under its authority.

As is standard for leading organisers of sporting competitions, ALB may require that all participants in the Series comply with any additional rules or requirements deemed necessary (provided these are not inconsistent with the Series' core regulations).

As both regulator and organiser, Automobili La'Bergitla may identify specific circumstances within its own Series that justify the appointment of a single supplier for certain equipment or services.

Such appointments are made solely for the benefit of the Series, in line with ALB's regulatory and sporting mandate, and only for a limited period—always following a transparent tendering process.

## 2. When might it be necessary to appoint a single supplier?

The decision to award a single supply contract for a specific item of equipment or service is never taken lightly. Wherever possible, Automobili La'Bergitla seeks to allow multiple manufacturers to supply products to the Series, provided that each meets all relevant minimum safety and technical standards. Generally, increased choice benefits both participants and the Series as a whole.

However, there are certain circumstances in which the best interests of the Series require that the number of suppliers be limited. Examples include:

#### (i) "Fairness":

Having a single supplier greatly enhances Automobili La'Bergitla's ability to verify that all participants are using equipment fully compliant with the rules. In some categories, even where multiple products have been homologated, minor differences between them can significantly affect race outcomes and undermine the principle of fair sporting competition. This can occur even if no single product is objectively "better" than another. In such cases, a single supplier may be necessary to "level the playing field," preserving sporting chance and ensuring that racing skill, rather than investment in technology, remains the key to success.

## (ii) "Safety":

Although all equipment must meet stringent safety criteria, there are instances where appointing a single supplier is the most effective way to ensure full compliance and proper verification with the applicable standards.

#### (iii) "Cost":

In some categories, designating a single supplier can result in significant cost reductions for participants. This occurs through economies of scale, reductions in the costs associated with equipment inspection, and the removal of the need for individual teams to invest heavily in their own research and development. Cost reduction keeps the Series focused on sporting skill rather than on who can secure the largest budget, and helps ensure that competition remains accessible to a wider range of entrants.

In many cases, the objective need for a single supplier arises from a combination of these factors—cost reduction, promotion of safety, and the guarantee of fairness.

## 3. Who decides that a tender is required?

When appropriate, the decision to appoint a single supplier for a particular item or service in the Automobili La'Bergitla Endurance Series is made by the Automobili La'Bergitla Executive Board or an appropriate committee.

This process is designed to ensure fairness, transparency, and accountability, reflecting Automobili La'Bergitla's commitment to good governance, whether acting as organiser or regulator. When the need arises—such as when there is sufficient concern or demand from stakeholders within the Series—the matter is brought to the attention of the relevant committee, typically by elected representatives or senior officials.

The issue is then debated and considered by the appropriate committee or sub-committee. If the justifications are sound, the Executive Board (or its delegated body) makes the decision to initiate a tender process for the appointment of a single supplier and instructs the Secretariat to proceed accordingly.

#### 4. What happens once it is decided that a single supplier is required?

Once a decision has been made to appoint a single supplier, Automobili La'Bergitla organises an objective, non-discriminatory, and transparent tendering process for the right to supply the relevant

equipment or service to the Endurance Series.

The successful bidder is then granted the exclusive right to supply the Series with that product or service for a defined period, which will not exceed what is objectively necessary.

# 5. How does the tendering process operate?

Once Automobili La'Bergitla's Secretariat has been instructed to arrange for a single supplier, it does so by organising an open tender. Great care is taken to ensure that the process is fair, transparent, and achieves a demonstrably impartial result.

The standard procedure is set out in a document entitled "Invitation to Tender for Sole Supply Contract – Tendering Instructions," which is made available on the Automobili La'Bergitla website (although the process may be adapted to suit specific cases).

In summary, the relevant technical department within Automobili La'Bergitla will compile a dossier outlining the requirements and parameters for the product or service in question. This dossier will include copies of all technical and sporting rules associated with the Series, a form for the submission of bids, an outline of the key contractual terms proposed for the successful bidder, and details of the tendering procedure.

The intention to organise a tender is communicated to all relevant manufacturers and suppliers known to Automobili La'Bergitla by the most appropriate means—this may include posting on the Automobili La'Bergitla website, direct mail, or advertising. The aim is to encourage the broadest possible participation, and any interested party is welcome to request the dossier to consider submitting a bid.

Interested parties are invited to submit their sealed tenders by a specified deadline to the office of an independent legal representative (such as a barrister or notary), rather than directly to Automobili La'Bergitla.

At the appointed time and date, the legal representative opens the submitted tenders, and all participating bidders are free to attend. An official record is made of those who responded in time. After the specified deadline, no further bids are considered.

Automobili La'Bergitla's executive team then evaluates the tenders and announces the winner on a pre-notified date. Tenders that clearly do not meet the objective criteria and terms of the tender are set aside first. Of the remaining tenders, the most competitive offer is selected and all participants are notified of the outcome. In some cases, a second round may be organised among the strongest bidders to allow final refinements.

#### 6. What is required of a successful bidder?

It is often a condition in the invitation to tender that suppliers provide samples of the product or service to be supplied, so that these may be tested for compliance with the objective criteria set out by Automobili La'Bergitla. These criteria are typically defined in the Series' own Technical and Sporting Regulations, or may refer to other objectively verifiable standards such as applicable ISO specifications.

In addition, bidders may be required to provide a bank guarantee or performance bond. These safeguards are put in place to reduce the risk that a supplier might, for any reason, fail to deliver the

agreed product or service during the Series. As the appointment is typically exclusive, any interruption could threaten the integrity of the competition and create serious logistical challenges if a key input supplier needed to be changed mid-season.

The company that wins the tender and enters into an exclusive contract is committed to supplying the specified product or service at the prices set out in the contract.

The contract usually does not stipulate a specific quantity to be manufactured or delivered, as this depends on the orders placed by competitors.

Nevertheless, Automobili La'Bergitla requires that the successful supplier be able to provide sufficient quantities for the entire period stated in the contract, which may range from one to three years depending on the agreement.

## 7. Does the successful bidder then supply goods to Automobili La'Bergitla?

No. The successful bidder is granted the exclusive right to supply the participants in the Endurance Series. A framework contract to supply the Series is concluded with Automobili La'Bergitla. However, the contracts for the actual supply of goods or services are entered into directly between the appointed supplier and the individual competitors.

## 8. What about those that do not win a single supply contract?

Automobili La'Bergitla is committed to advancing the interests of motorsport and innovation, as well as supporting a vibrant commercial environment for manufacturers of motorsport-related equipment. There is no intention to impede innovation or limit the commercial opportunities available to industry suppliers.

However, these interests must be balanced against the long-term safety, fairness, and success of the Series and its participants. For this reason, the decision to appoint a single supplier is made only after careful consideration of both the advantages and disadvantages.

As a matter of principle, single suppliers are appointed only for the shortest period necessary to achieve Automobili La'Bergitla's sporting objectives, without placing undue burdens on participants to change equipment more frequently than required.

Decisions to appoint a single supplier apply only to the Automobili La'Bergitla Endurance Series, and not to other competitions in the same discipline, including national events or other international series not organised by Automobili La'Bergitla. There are numerous event organisers and championships worldwide, so the appointment of a single supplier for the Series does not prevent equipment manufacturers from supplying their products to competitors through many other channels.

# 9. Does the tendering process allow a single supplier to become "endorsed" by Automobili La'Bergitla?

While Automobili La'Bergitla may seek to secure an exclusive supplier for certain products or services, this does not normally amount to an official endorsement of any particular product or brand. The appointment of a single supplier is not intended to grant a supplier the status of

exclusive, authorised, or selected supplier for general commercial purposes, nor does it imply that their product is technically superior to others—such endorsements are not within Automobili La'Bergitla's remit.

For this reason, exclusive supply contracts typically specify that the agreement is limited to the supply of the product or service for the Series and for the agreed consideration. In some cases, however, limited association rights may be granted—such as allowing a supplier to describe themselves as the "Official Supplier" for the Automobili La'Bergitla Endurance Series—in exchange for investment in the Series or commitments to activities such as supporting youth participation or technological development.

#### 10. Conclusion

As part of its governance and sporting mandate, Automobili La'Bergitla must occasionally make difficult decisions in balancing the interests of the Series with those of equipment and service suppliers. To the greatest extent possible, Automobili La'Bergitla is committed to conducting these activities in an open, transparent, and fair manner. However, as with all decisions involving diverse interests, it may not always be possible to satisfy every party.

Automobili La'Bergitla welcomes the active participation of all interested parties in the decision-making processes that may lead to the appointment of single suppliers. The organisation also values suggestions and constructive criticism, and remains open to improvement at every stage of the tendering process.

If you have any suggestions, queries, or concerns regarding this policy or any aspect of a single supply matter, please contact the Legal Department. All such communications will receive full and careful consideration.