

# IRC Transparency

Carl Sabbe  
7/09/2024

## 1 Introduction

This report summarizes the findings of a questionnaire distributed to the IRC board to understand their views on transparency within the IRC organization. The concept of transparency is multifaceted, encompassing the availability of information, the clarity of communication, and the overall openness of decision-making processes. Evaluating the current state of transparency in IRC is crucial for ensuring fairness, fostering trust with stakeholders, and maintaining the competitive integrity of the rating system.

## 2 Importance of Transparency and Formula Secrecy

All respondents acknowledged the importance of transparency. However, there's a strong emphasis on maintaining the secrecy of the IRC formula, which is considered a cornerstone of the system's success. Disclosing the formula is seen as a potential gateway to typeforming, where designers exploit weaknesses in the formula to create boats specifically designed for advantageous ratings. Additionally, the formula is viewed as valuable intellectual property, and its protection is crucial for maintaining the system's viability.

## 3 Discrepancy Between Importance and Implementation

While transparency is valued, there's a gap between its perceived importance and current practices. The questionnaire revealed several areas where transparency could be improved:

### 3.1 Availability of Boat Configuration Information:

Increase accessibility to information on boat configurations, while potentially keeping certain elements confidential (e.g. disclosing the elements that have impact on Hull Factor and Rig Factor without disclosing the formula that calculates Hull Factor and Rig Factor). This could also involve making certificates more informative by including boat design type and detailed sail inventories.

### **3.2 Understanding the Impact of Changes on TCC:**

Provide clearer information on how simple modifications, such as sail dimensions, number of sails, and ballast weight, affect a boat's Time Correction Coefficient. This could involve readily available documentation or online tools that estimate the impact of changes without requiring Test Certificates.

On the other hand, the impact of structural and expensive changes should continue to be less accessible (e.g. only through a limited number of test certificates) to discourage such changes.

### **3.3 Explanation of Hull Factor (HF) and Rig Factor (RF):**

Offer further public explanations of these concepts, focusing on the order of magnitude of their impact, without revealing specific formulas. This could help owners understand the relative importance of these factors in their boat's performance.

### **3.4 Resources for IRC Rating Optimization:**

Develop better resources to help owners improve their boat configuration and associated rating. This could involve compiling existing resources (documents, yearbooks) into a centralized, annually updated "IRC bible." However, the balance with Test Certificate revenue, a significant income source, needs consideration.

### **3.5 Transparency in Technical Committee Investigations:**

Increase transparency by publicizing the agendas and conclusions of technical committee investigations. This would keep stakeholders informed about ongoing research and development efforts.

### **3.6 Comparison of IRC and ORC Rating Systems:**

Provide clearer communication regarding the differences between IRC and ORC rating systems. This could involve highlighting the philosophical underpinnings of each system (e.g., focus on simplicity and integrity vs. focus on VPP calculations) and potential benefits of each approach for owners.

### **3.7 Decision-Making Authority and Resource Implications**

The board sets transparency policy after consultation with the congress. This includes what information to make public. They ensure resources for implementation. Increased transparency initiatives may require additional technical and marketing resources.

The technical committee focuses on technical aspects of the rule and maintaining formula confidentiality. They advise the board on technical content related to transparency.

## 4 Next Steps and Recommendations

**Gather feedback from national authorities at the upcoming IRC congress regarding their transparency needs.** This will provide a broader perspective on desired levels of transparency.

**Analyze the resource implications (technical and marketing) of increased transparency before implementing changes.** A cost-benefit analysis should be conducted to ensure efficient resource allocation.

**Consider the potential impact on revenue from Test Certificates before significant changes are made.** Striking a balance between transparency and maintaining a revenue stream is essential.

**Explore alternative revenue models that might lessen the reliance on Test Certificates.** This could involve exploring sponsorship opportunities or developing value-added services for members.

## 5 Conclusion

The IRC organization should continue achieving greater transparency while safeguarding the core secrecy of the IRC formula. This balance is essential for maintaining fairness, fostering trust with stakeholders, and upholding the competitive integrity of the rating system. Further discussions are recommended to determine the most effective ways to implement these transparency improvements, considering resource implications and potential revenue impacts. Examining alternative revenue models could ensure long-term financial sustainability alongside increased transparency.