

NTT INDYCAR SERIES

News Conference

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Mark Miles

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Cara Krstolic

Press Conference



We're seeing the success of the event get reinvested in the event. So it may not be what all of you cover, but if you go around, you can see a few million dollars in capital investments in the facilities and suites and in grandstands. And it's just upping the game, and that's exactly what we're looking for with our promoters. So we're really pleased with Green Savoree in doing that, and we are especially pleased that we were all able to announce that we have extended our arrangements with them for another couple of years and with Firestone.

So the future will continue to be bright, and we expect ongoing growth. And this event will continue to be positioned as the kickoff to our championship year, so we're excited about that.

We've talked a lot about it, but we're very excited about our unscripted series or docuseries with our partners Vice and CW. I was in Chicago with Nexstar last week talking about their plans to promote it, and I think they're going to be very substantial.

It will be Primetime on Thursday nights, the initial airing of each of the episodes. We don't know really what that's going to produce, but we know it will put us in front of younger eyes, and I think they're going to be great partners as they do everything they can to promote it and develop an audience for it.

And talking yesterday with the leadership of Vice that is actually creating this show, the first thing is really we should say great things about them. They are passionate about it. They're excited about it. They wouldn't want me to say what they say when they compare their experience here with INDYCAR to recent work they've done in the space. So we'll let you ask them about that, but it's all good.

I'm real proud of the paddock, the teams, the drivers. You know, they're giving them access to get them the stories that they want to be able to tell, and that's going to be pivotal to the success of the development really of an audience for this. So we're excited about that.

I don't know if you have seen it, but I actually saw it on television, so here in St. Pete.

DAVE FURST: Once again, good morning, everyone. Great to be here, day two of this great event, the Firestone Grand Prix of St. Petersburg presented by RP Funding.

Joining us today as we kick off this 20th time -- hard to believe INDYCAR has already been here 20 times. Here joining us today in the middle Mark Miles, Penske Entertainment President and CEO. To his left, great to have Jay Frye, INDYCAR President, joining us today. To his left, Margo Cooke, BP Brand and Sponsorship for NTT Data. Bassen Kheireddin, technology manager, Motorsports and Shell. Bass, great to have you. And Cara Krstolic, the Firestone Director of Race Tire Engineering and Manufacturing.

Mark, go ahead and kick things off with you. Certainly been a very busy start to this 2023 season already. Take us through some of the highlights and tell us what you are most excited about heading into this brand new season.

MARK MILES: Thank you. Good to see you all. I'm sure everybody is happy to be in St. Petersburg together again.

It wasn't just a busy start to the season. It was a really busy often season. And while we were kind of quiet about putting plans in place and working through exactly what we are going to execute this '23 NTT INDYCAR SERIES Championship Season, lots, lots going on.

I think there's a ton to be excited about. For me it starts with where we are. Again, 20th race, as you said. Look, it's tropical. Everybody loves being here. The fans turn out. I believe it's going to be another record attendance this year.



Big-time increase in the investments for marketing and communications, and part of it is our media campaign. I love the fact that the first seven races will each have a spot that's focused on a driver, and they don't have a helmet on. You're going to get to see some of the key drivers in the first half of the season.

We can't do enough to expose really our stars and to grow their fan bases and make them more known to fans. So them telling the story is an important part of the strategy. Frankly, we're spending a lot of money to get it out there, both in linear and in a kind of hyper-targeted digital and social campaign.

So we hope that will get us in front of more fans, new fans, and increase the television audiences and do a lot of good things to continue the momentum that INDYCAR has had.

We're real proud of the partnership with NTT, which continues to develop new technology with us. Most recent example, we're real proud of, and that's the app. When Roger Penske calls and says, this is super, that's a good grade. He lives on it on race weekends, and that's that guy's feedback, but it's true for all of us.

It's a big step up. There's still a few bugs to get out, but really good work by your team, and we appreciate it.

Then if I look a little bit further for highlights that we expect to be big deals this season, the 500, I've got to say that again, I mean, we're ahead in every sales category. There are going to be more people out there. We just expect really big things for the ongoing growth of May and also the Indy 500 presented by Gainbridge.

Also, Detroit, a lot has been said about that. I think it's going to take us by storm. I see all the plans, all the investments. To be downtown is going to be a very different Detroit. For us it's going to be a Nashville. A big lift to the season, the championship.

And our friends at Hy-Vee are doing it again. They've doubled down on making it the biggest possible show in Iowa, and I think it will pay big dividends. Lots to celebrate. Those are just a few highlights.

DAVE FURST: One of them, Jay, 27 full-time entries this year. A list of rising stars and future Hall of Famers. It's an incredible line-up really heading into the season. Just your thoughts on the continued growth, why it's happening, and why this series is continuing to attract such great talent.

JAY FRYE: I think there's a lot of different reasons. If you think about it, in 2016, again, we've talked about this

probably until we're blue in the face, this five-year plan that we created. That probably catapulted it to start.

But if you look at the 2017 entries, which is the most we've had since 2011 -- right, full-time teams, which is great. I think not just quantity, but I think quality. The quality is I guess one of the best we've ever had to this point. So excited about the season.

We look at what we did in 2022. There was a lot of great things that happened with the 5,881 passes and the fastest front row to the 500 and the fastest pole and all this type of stuff. We've got a lot of work to do to surpass 2022, but we're excited about the 2023 season.

DAVE FURST: Margo, great to see you. Good morning.

MARGO COOKE: Great to see you as well.

DAVE FURST: INDYCAR is so lucky to have a sponsor like NTT. From your perspective, what makes the relationship so strong, and what makes INDYCAR such a positive fit for NTT?

MARGO COOKE: It's great. We appreciate the opportunity to be here and so thrilled to be back at the track. NTT is a business-to-business brand, so we're not a consumer brand. Sometimes people say, oh, what exactly is it that you do?

Big IT systems and developing digital road maps for our clients and helping them to achieve those steps, you know, one at a time. It's a great fit for us. Not just for our brand, but also from a client hospitality perspective.

Our ability to bring clients out to a venue like St. Pete, entertain them, maybe bring them to dinner, and then bring them on a tour so they can meet Cara and all the smart people who do all the work at Firestone and the people in tech inspection.

It's a tremendous opportunity for us because doing improvements to the mobile app, it's not dissimilar to the types of client improvements that we do, whether it's a bank or a manufacturing organization, whether it's a smart manufacturing situation like a smart venue that we do at the Indianapolis Motor Speedway.

It's a tremendous opportunity for us to showcase the technology, but also, the hospitality is really second to none. And we think the product is so competitive, it's so compelling. We're excited to see more eyeballs on the sport, and we're excited to be part of the growth of the sport.



NTT is a Japanese-based company. Really looks at the long-term and really looks to try to make a difference, and we want to leave the sport better than it was when we entered the sport, and that really is the path that we're on right now.

MARK MILES: What's this about leaving the sport?

MARGO COOKE: No, no, we're not leaving the sport any time soon. We like long-term partnerships. Long-term partnerships is important.

DAVE FURST: Part of that partnership is, Mark, one of the great priorities this season, sustainability; right? We talked a lot about it in recent times here. What makes this series in your mind ready and suited to lead that charge, especially among the North American peers here in motorsports?

MARK MILES: Well, it's a very, very, very high priority for us. Our ambition is nothing less than to be the most sustainable, environmentally-friendly motorsports series. I guess I'm supposed to say in North America, but we probably have broader ambitions than that.

The key, I think, are two: One is that we do believe, going back to the Indianapolis Motor Speedway, innovation is in our DNA, and that's part of the story as to how we get better. Most importantly, it's relying and partnering with our great partners. A couple of them are represented to my right.

Last year we made some important initial steps. There's more to happen this year. But all of us are smarter than any one of us, and working together we really think that we can even increase the momentum that I think we established in just the last year or two.

DAVE FURST: Great segue. Bassem Kheireddin from Shell, again, joins us here this morning. Bassem, this is the first race for it Shell's 100% renewable race fuel. Give us a little primer on what it's all about and its impact and why Shell has invested so much in this innovative step forward in INDYCAR.

BASSEM KHEIREDDIN: Thank you, Dave. It's good to be here with all of you.

A little over a year ago we started this journey to develop 100% renewable race fuel that will meet the demanding needs of INDYCAR engines. The fuel consists of a significant mix of second generation ethanol, so what used to be considered as a waste stream is now used to produce ethanol.

Combined with another renewable component that also comes from waste makes up the 100% formulation that will make the NTT INDYCAR Series the first U.S.-based motorsports series that will power racing with 100% renewable race fuel. This doesn't happen without partnerships.

Shell scientists worked hand-in-hand with engineers from Honda and Chevy and the NTT INDYCAR SERIES led by Jay to develop this 100% renewable race fuel that successfully passed performance and durability tests and was signed off as the official race fuel of the NTT INDYCAR SERIES.

Shell's investment in sport motorsports lines us up for developing better products for our customers, and we use motorsports as a proving ground to do this from the extreme conditions, and the learnings from the track are transferred to our road-going products.

With this shift in fuel you should not expect any change in performance, but instead, we will build on a motorsports heritage that will power progress for a more sustainable future.

So for me personally and for the Shell team this is a proud moment to see this renewable race fuel taken from the Shell Labs to the dynos to the open test at Thermal and now seeing it in action on the track for the first time. Really great to be here. And, yeah, let's go racing.

DAVE FURST: Let's go racing. Certainly qualifying today. The race tomorrow. Cara, you are shaking your head yes. Last your guayule made its way on to the scene. Let's talk about that, the inspiration behind all of that, and maybe what you learned on all the on-track activity that you had in the last year and obviously furthering the commitment for all the street courses here in 2023.

CARA KRSTOLIC: Yeah, certainly. Thank you, Dave. It's great to work with wonderful partners like Shell and Team Penske and NTT. We've had this great relationship where we've been able to push our sustainability targets.

So we started in 2012 at Bridgestone with a new Biorubber Process Center. This is our research center to develop with the guayule crop and with the goal to eventually have it into passenger cars. And what better ways to start and move from a race to passenger than the NTT INDYCAR SERIES?

So being able to run it on track for the very first time at the Indianapolis Motor Speedway in the pit stop competition. Not too tough on tires. Then we moved to Nashville, and now all five street course races.



So it's part of a \$100 million investment that Bridgestone has made so far, and we have another \$42 million investment that's going to give us about 250,000 acres so we can commercialize it. You'll see it in NTT INDYCAR first, and then you'll see it on your Honda Civic or Chevy Cruze.

DAVE FURST: We'll open it up for questions.

Q. This is for Mark and Jay. The preseason test that Thermal gave you an opportunity to get to know a few more business-to-business type people that are members of that group, did it yield any potential sponsor interest, potential team owners that may want to join the series in the future? Did it create any type of dialogue from that end?

MARK MILES: From my perspective, it's probably too soon to tell. Its significance to me was sort of maybe two-fold. It's already there.

The first is in terms of the especially earned media. It was like having another race, an 18th race. The following four, the viewership of it was fantastic in that context.

Secondly, I probably said this to many of you, as I mentioned when I commented on the investment that's been made here to really begin a serious program to upgrade the quality and professionalism of the facilities, we're trying to say to all of our promoters, we're all taking a step up. The first step among lots of steps.

And I thought that the Thermal facility was the perfect example. So we could just sort of say this is kind of what we mean. You know, they didn't cut any corners on anything when they constructed that place. Their customer service was -- they just were doing back flips to figure out how to solve problems and make us all feel very welcome. It was really a great example of the way we look to continue to improve our events on the INDYCAR SERIES.

JAY FRYE: Exactly what Mark said. Obviously there's a member there who is already participating, so that's good.

It was amazing to see at night when we go back from the paddock to the other area of the facility, they said if the members had their doors open, that's an invitation to come in, and it was true. It was amazing how welcoming they were.

We weren't sure. We knew that the Thermal leadership was excited about us coming, but we weren't sure about the members. The circus is coming to town. We were invading their space. But they were off the charts glad to

see us, did everything they could to make us feel welcome, and it was great.

Q. I know the owner of that club is interested in having a race at some point. He expressed that earlier. You know, the fact that it's 150 miles from Long Beach, so it's almost like a different state in many ways. But could you see that as a potential maybe in a couple of years?

JAY FRYE: To me it's what we did with it with having an open test there was perfect because the weather is great. It's a great time of year. It filled a big need because we can't really go many places that too many of year because of the weather.

So I don't see necessarily a race per se happening, but for an open test perspective, it was great.

MARK MILES: I agree.

Q. Mark, a lot has been talked about in the new marketing strategies. I know drivers had demanded more, and then you made a big presentation of what you guys were planning. What has the feedback been? Do you think teams and owners are receptive and believe in the path you are on?

MARK MILES: I do. It's fair to -- I understand that we went through the period of planning and could we get the unscripted series done so it was reliable, it was going to happen, and could we put the revenue, the money together really, to fund the investments to do all this? So we were quiet, so people wondered what was going on.

In my mind as soon as we were in a position, which really started with the drivers meeting in Indy I think December 8, something like that, I have only seen support. I think the drivers are certainly aligned, and I think the team owners are, too.

The other thing, I'll save somebody the question of asking is, yes, we asked the teams. It wasn't voluntary, but we sort of polled the teams on the idea that we might reduce by about \$150,000 per leader circle entry, a total of \$3.3 million, to further extend our investment. It's a minority share of our investment for the whole thing.

We heard some comment that maybe everybody wasn't aligned with that idea. Again, from our perspective, nothing is ever completely universal, but I think it's been really positive. I think everybody is aligned on the growth of the series and eager to do what they can do to be part of it.

Q. Secondly, sustainability. It's obviously important, and this is for all of you. It's obviously important globally, but for a motorsports series for relevance, I suppose, and where companies want to be and in line, just how important is it to be taking these steps?

MARK MILES: I can speak for us and then love to hear from you guys. Every stakeholder group cares about this. In some ways I would first list our own employees. They're younger. It's the responsible thing to do. It's something they expect of their -- a place they work, the organization they're a part of. That's certainly not lost on us.

And then I think it is our responsibility. We're corporate citizens, whether we're in Indianapolis or anywhere we operate, and it's the expectation of the communities where we race.

Then, not finally, but next, I would say our partners. We don't have a conversation about a partner adding us -- being added to our list of partners where they don't want to know about our sustainability and, frankly, our diversity efforts. So it's the right thing to do, and it's good business at the same time.

CARA KRSTOLIC: I would add to that. We love racing. We're passionate about racing. We're passionate about motorsports. We want to have our kids and our kids' kids be able to enjoy this in the long-term, so I think it's really important.

I know Bridgestone along with some of our other partners, we've set some pretty ambitious targets. In order to get to 100% renewable tire by 2050, we have to start somewhere. Racing is a great platform to be able to do that because we only build this many tires for racing as opposed to what we would have to build to go on to a consumer tire, so you can make a big change in a small market and have a really big impact on that.

BASSEM KHEIREDDIN: Yeah, and from a Shell perspective, Shell has set a target to become a net-zero energy company by 2050 or sooner.

When it comes to motorsports, again, we use it as a platform to raise broader awareness for new fuel technologies and push boundaries, and this 100% renewable race fuel is a great example of how pushing boundaries on the track can benefit the products for our consumers into the future.

MARGO COOKE: And for NTT creating better societies, it's a critical part of who we are from our DNA perspective. If you look at where the technology part can play in, we have a big commitment in our own data centers to make

sure that we're as sustainable as we can be.

But in addition to that, if you look at the tech around the sport, the first step is really to be able to baseline what the emissions are and what the different sources are and what that ecosystem are and be able to measure the trends, and tech plays such an important part in that. Whether it's with a partnership with one of our partners, whether that's Microsoft or another partner or whether we do that through our own smart platform, there's a lot of technology solutions that are critical to be able to kind of measure and then trend your progress.

So we think that's a really, really important aspect to it for us.

Q. I have a couple for Mark, possibly Jay, following up on the \$150,000 per car leader circle cut. There seems to be perception, maybe it's misconception... I'll give you a chance to clear it up... that team owners maybe didn't have a lot of warning that that was possible. Can you address that?

MARK MILES: That's probably fair. As we were finalizing our plans and we looked at how much we felt like we could invest and the way of increased spend in this area, we came on to the thought that maybe the teams would contribute to or could. And so in the course of a couple of days we called all the team owners and said, this is what we want to do. Nobody that I know of said no or don't or please don't.

So, yeah, it was -- you know, we were moving forward one way or the other with at least the investment that we had already kind of circled with internal funds, and to be able to add another useful amount of money, we thought made a lot of sense, and I did not get what I would call pushback.

Q. Just to follow up. Jay, it seems like you guys have made a lot of competition changes this year based off feedback from the paddock. I know that's always a goal of yours to listen to all the teams, but has that line of communication -- do you feel like that's been improving?

JAY FRYE: I think it's the same. We have our offseason meeting cadence like we normally do. It starts with the team managers, goes to drivers, and goes to owners. So we go through the whole process.

We follow up with them with ideas coming out of every meeting, and we kind of get a consensus, and we make changes based off that.

If, ultimately, we can't get a consensus, then we have to

 . . . when all is said, we're done.®

decide. Obviously, that's our job. But, historically, we've been able to get a consensus most of the time. It's been good.

Q. One more from me for Mark. You talked about "100 Days to Indy." I know we're almost two months out from the first episode, but are you going to see some rough cuts or have you been looking at rough cuts yet? Are you planning to look at what the first episode might look like? And do you guys have final editorial control approval over what goes on air?

MARK MILES: So at this -- yes, yes, and yes. But prior to your question, at this point we're partners in helping them with the paddock identify possible storylines, interesting stuff that we think they can develop into great storytelling.

So even yesterday we were hearing about their thoughts at this moment, which will evolve, sort of how these episodes may initially set up the rest of the series. Obviously, it's going to be shaped to some extent by what happens on the track in the lead-up to and through the 500. But we're very close in communicating with them about their thinking about it as it goes.

Ultimately, yes, Penske Entertainment will see -- I wouldn't even call it rough cuts. We'll see the proposed episode, and we will have -- I don't know what the right word. We will be able to say, that's got to go or not, but we don't anticipate that being an issue.

I love everything I'm hearing from them about the way they want to portray INDYCAR and the drivers and the paddock. They are very sensitive they're not getting in the wrong place at the wrong time and somehow, even inadvertently, revealing anything that's really proprietary and competitive for the teams.

So a lot of people could maybe because of other examples worry about it being all about controversy. I don't think that's what this is. I think there are so many really great stories to tell. I'm not real worried about having to say no.

Q. Follow up a little bit on that, Mark, on your guys' relationship with "100 Days to Indy." This may be a little bit in the weeds, but as a partner, do you pay Vice or pay CW to put something like this together? How from a financial standpoint -- how does something like this work in putting it together?

MARK MILES: Essentially the -- largely, the economics are between Vice and CW. We receive a little bit of compensation.

Q. Jay, a question: I know Honda and Chevy are

working behind the scenes to get this new engine up and ready for 2024. Can you talk us through a little bit about where they are in that process and what will continue to go on over the next couple of months before that gets set to be put on track for competition next year?

JAY FRYE: Yes. So we're really excited about Honda and Chevrolet taking over the project at this point. So Molex did a great job designing the technology. We're excited about what it's going to look like. It's going to be very different. It's going to be very exclusive to INDYCAR.

So we got it to a certain point. Now Honda and Chevrolet are going to make it raceable. There should be some things coming out here in the next month or so I guess. You're going to start to see more and more track testing.

It's progressing really well. Again, it's really different. It's going to be light. It's got a lot of horsepower. It's safe. You know, it's low voltage, that type of thing. So it's going to be pretty cool. It's full speed ahead. Everything is going good.

Q. One Last questioning. Mark or Jay, either of you can tackle this or both if you want to. I know there's been a lot of press coming into this weekend about 27 full-time entries at St. Pete, the most we've seen at an opener and that large in quite some time. As this grid continues to expand, will there ever be a time when you would start to consider having some sort of a cap on full-time entries to create a charter system that NASCAR uses right now, for example?

JAY FRYE: I'll take part of this. Again, we talked about the plan, right? In '16 the plan was we needed to recruit new owners, new entries, that type thing. So the plan has worked.

Part of the goal of the plan was to have more manufacturers too; right? That was the biggest part of the puzzle was to get that done, too. So we've exceeded the number of entries that we thought we would get with this plan, but we've obviously not got a third manufacturer yet, and that's something we worked very hard on.

It's becoming, I would say, more of almost a necessity, not as much of a luxury to get a third. We work on that every day. Something good will happen at some point.

Q. For Mark or Jay: Any update on a new chassis for coming up for '25, '26 going into the future?

JAY FRYE: So I think if you look at this car, I mean, people have asked us about a new car all the time. If you

look at the DW12 compared to where it is today, it's not the same car. It's not even close to the same car.

I think one of the things if we've missed on anything is as we went through the years is not renaming it as we've went. The chassis is completely different than it was in 2012. The car is completely different than it was in 2012.

There's nothing on this car today that's the same as it was then. So there will be a pretty large evolution with the new engine -- or not the new engine -- with the hybrid coming next year, so the car will look different. It will look different than -- there will be gradual changes beyond that in '25 and '26.

Is it a completely new car? Yes, it is. It's a completely new car now.

Q. I just want to follow up. Jay, when you talk about it being more necessity than luxury to get the third manufacturer. Is that mostly about Indy? Is that mostly about having more cars --

JAY FRYE: Both Chevrolet and Honda do a phenomenal job, but they're tapped out, and we're to the point where they're exceeding expectations on inventories and that type of thing.

So the hybrid piece will add to that. Indy is a part of that, right? I think we get to a point where 34, 35 cars is probably the max we could currently have with the capacity that we currently have. So a third would certainly help expand that.

Q. On that, Jay, would there ever be a point when we're moving to this hybrid that I know is more expensive for Honda and Chevy, probably also for teams as well, would you expect the grid to contract at all from a full-time perspective next year, or do you have every reason to believe that we'll stay around 27 where we're at right now?

JAY FRYE: I think it will. If you look at just on the stage the partnerships that we currently have and you look at the team partnership that is they currently have, and we're growing.

Again, it's not just quantity. It's quality. There's a lot of quality going on, so I don't foresee it contracting in any way with the hybrid.

DAVE FURST: We want to thank you for your time. We know everyone has meetings, qualifying coming up, more practices. Thank you for your time as well. Mark Miles, Jay Frye, Margo Cooke, Bassem Kheireddin, and Cara

Krstolic. Thank you all very much. Have a great weekend. Happy new season.

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