



Vital signs

HOW BIOMETRIC DATA CAN UNLOCK
NEW COMMERCIAL OPPORTUNITIES
FOR RIGHTS-HOLDERS



Ahead of Macau, we share an excerpt of our Asia media-rights report



Guinness aims to be No1 in rugby with Six Nations title rights



How the LA Rams will leverage their run to the Super Bowl



Liverpool CCO Billy Hogan on the club's record profit



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Ben Morel: “I’m a strong believer in simplicity of narrative and product definition”

Six Nations chief executive says he has mandate to expand global audiences

Calls for “simplicity of narrative” in the calendar are in step with global governing body World Rugby

Admits Six Nations could package its sponsorship rights more clearly and consistently



Once the NBA's EMEA managing director, Ben Morel was announced as chief executive of the Six Nations in August last year (@INPHO/Bryan Keane)

Ben Cronin

Ben Morel took over as chief executive of the Six Nations rugby tournament in November last year with a clear remit. The tournament's recruitment committee left no doubt what was expected when it declared that the NBA's former EMEA managing director and senior vice-president had been appointed on the strength of his track record in growing international audiences for the basketball league.

“I think I've got a mandate for innovation and for propelling the championship to a new era, but I would say the fundamental piece of that will definitely be how do we

expand our audience globally,” he tells *SportBusiness Review* ahead of his first tournament in charge.

Initially it was assumed this would consist of helping the Six Nations to capitalise on the first ever Rugby World Cup in Japan and building on the promising foundations for rugby in the USA. But the emerging news of World Rugby's proposal to incorporate the Six Nations into a new “Nations Championship” will ask new questions of Morel's globalising zeal.

Our interview took place ahead of the chief executive's trip to Los Angeles, where he listened to the governing body's plans to build a narrative into the global rugby calendar. The proposed reforms

would reportedly turn the Six Nations into a qualifier event for a global league which would pit the leading European sides against their southern hemisphere peers, creating a more meaningful set of fixtures across the summer and autumn months. Controversially, the plans are rumoured to advocate promotion and relegation in the Six Nations to allow emerging nations a greater opportunity to play top-level rugby.

Morel emerged from the meeting describing it as “productive” but stressing that the proposals must not dilute the Six Nations. He added that the new league would “need to be a substantial improvement on the current set-up” to be sanctioned by the

home unions that he represents.

There are signs in our earlier conversation that he could advocate more for the new league than one would expect. Though he is of course focused on the Six Nations, the former NBA executive espouses a doctrine of centralisation and simplification that seems to be in step with World Rugby.

Asked about the standalone Autumn Internationals currently played by the international unions – which would disappear if a Nations Championship were to go ahead – he makes similar arguments about the need for more continuity in the rugby calendar.

“I think that we can do a better job at presenting the opportunity to our broadcast partners, as well as to our fans,” he says. “There are too many games overlapping and I am a strong believer in simplicity of narrative and product definition.

“There are great storylines between the Autumn Internationals and the Six Nations that we can actually present as a better product to the marketplace.”

Overlapping interests

For Morel to lead any sort of commercial reform at the Six Nations – or indeed tie its future to a global league – he will have to unpick a complex web of overlapping commercial deals and persuade his stakeholders that such reforms would deliver them more money. To a large degree his job is to represent the interests of the six unions competing in the tournament and there is plenty that is beyond his control.

His ambition to have more of a say in how the media rights to the autumn internationals are packaged, for instance, could founder against the individual ambitions of the unions. In the current set-up, the only respect in which the competing nations could be said to work completely collectively is in the sale of media rights to the Six Nations.

The Six Nations Committee shares €133.6m (\$153.2m) in annual media revenues between the nations based on a formula that rewards the best-performing teams. The same nations sell the rights to their summer tours and autumn internationals individually.

Sponsorship

The way the Six Nations’ sponsorship rights are sold presents an equally fragmented picture to prospective partners.

“There is a lot of coexistence between team inventory and league inventory,” Morel explains. “It’s something that is valid across many sports, but it needs to be done in a very sort of clear and consistent way,” he says. “I am always of the belief that if you have to spend more than ten seconds explaining something, then it probably could be simplified.”

Perhaps the worst example from the existing set-up is in the telecoms category, where the England team carry O2 as a shirt sponsor, Ireland partners with Vodafone and Scotland with BT – a situation that likely precludes the Six Nations ever signing a telco partner of its own.

“I am always of the belief that if you have to spend more than ten seconds explaining something, then it probably could be simplified.”

The on-pitch inventory available to the title sponsor is also complicated by competing union agreements. Traditionally the tournament’s title sponsor has been offered 3D logos in the centre circle and end zones of the pitch, in addition to post-pad branding, but the French Rugby Federation’s individual agreement with Société Générale makes post pad and end-zone inventory unavailable in France, which provides a large segment of the tournament’s audience.

Guinness’ new six-year title partnership with the competition promises to cut through some of these issues, though only because of the brand’s pre-existing agreements with the British and Irish unions.

Although the deal includes substantial on-pitch and pitchside inventory, Morel thinks a partner of Guinness’ stature will help to prove that the championship can provide a more sophisticated sponsorship proposition than branding alone.

“Sponsorship has evolved and we need to evolve as well,” he says. “It’s now all about digital engagement, social engagement, community relations. There’s a lot of other things that we can provide to future sponsors



(Dan Mullan/Getty Images)



(Laurence Griffiths/Getty Images)

or existing sponsors that go far beyond the pitch, which has been historically the focus of our offer.”

To this point he reveals the partnership with the drinks brand includes associate-level sponsorship of the Women’s Six Nations and that one of the Guinness’ objectives will be to promote the women’s game. His ambition for 2020 is to give the female championship its own identity alongside a new title sponsor.

“I believe that the women’s championship is about to arrive on the global stage in such a way that it will be a terrific opportunity for a sponsor to have a very positive message around women’s sport, around a great product, as well as an association to the Six Nations from that angle,” he says.

Morel refuses to be drawn on the Six Nations’ drawn-out search for a title sponsor, preferring to focus on what its first partnership with a consumer brand will do to grow the game in new markets.

“I won’t comment on whatever happened in the past, I’m moving forward, but when I look at the global remit of a brand like Guinness, about what they’re going to bring to the Six Nations, they’re going to be fantastic partners,” he says.

“We are a unique property, based on scarcity and meaningfulness of the games... that makes it a very valuable proposition.”

New markets

The growth markets the Six Nations would like to target are easy to discern in the way it packages its international rights.

After many cycles in which rights outside the competing nations were handed over to the Pitch International agency, the Six Nations Committee carved the USA and Canada out of the most recent deal, 2018 to 2021, to focus on wider exposure. The competition is now in the second year of a deal with NBC Universal, worth around €300,000 per year.

“I share a lot in common with NBC in the sense that they are trying to do with rugby what I was trying to do with basketball internationally for the NBA,” Morel says. “We understand each other very well on what needs to be done.”

His focus on the US is understandable when you consider the tournament’s over-reliance on

competing nations for the largest share of its media revenues. International rights represented just 5.3 per cent of the global media-rights value of the competition in 2018.

World Rugby’s proposals for a global league could provide a solution to this imbalance. But for the Six Nations to yoke itself to the new competition, its stakeholders will have to be persuaded that it would generate greater international broadcast revenues by virtue of the wider spread of teams. Morel’s commitment to free-to-air broadcast deals in core markets is reported to be a sticking point for the plans. There is also the question of whether it would diminish many of the things that make the Six Nations special.

“The DNA of the Six Nations, as well as the commercial revenue that it brings to the unions, is all linked to the eyeballs we’re getting. We are a unique property, based on scarcity and meaningfulness of the games. It’s easy to access and watch, and that makes it a very valuable proposition.”

For all its quirks, the Six Nations remains a commercial success in its core markets, and Morel and his stakeholders won’t take any decision to tamper with it lightly. ○



M-is: Using Technology to engage all at Grassroots

London-based international agency M-is has been developing state-of-the-art fan experiences and engagement initiatives in sport for 30 years. With such rapid developments in technology, M-is believe brands and federations can use this opportunity to inspire and empower all at 'grassroots'.



(M-is)

Inspiring people at grassroots to participate in sport is one of the key legacy drivers for any government, proactive brand or rights-holder. It is good for business, ensures loyal fans and ensures healthy people.

According to London-based agency M-is, innovative new technological developments are providing unprecedented opportunities to engage members of the public, and if activated and developed correctly, brands and rights-holders have every opportunity to engage all.

M-is looks forward to the Tokyo 2020 Olympic Games heralding a fresh and exciting chapter in this ever-changing sector.

New standards of innovation

The Tokyo 2020 Olympics is primed to set new standards in using the latest technology to inspire the masses, from launching the use of driverless cars across the capital ready for the Games, to delivering 8K Super Hi-Vision broadcasts that are set to wow viewers at home (bandwidth/pipe allowing).

Top-tier Olympic partners Intel and Alibaba are developing artificial intelligence-powered athlete tracking technology that is slated to make its debut at Tokyo 2020. The technology will provide real-time biomechanical analysis by 3D-mapping athletes competing across five athletics disciplines.

Cameras will be used to create a '3D Mesh', which will help athletes

and coaches to "modify and enhance their training", according to Alibaba. Crucially, though, it also promises to enhance the experience for viewers of the Games, providing "insights into how world-class athletes train and perform".

M-is' digital director, Nick Clarke, says: "The Intel and Alibaba technology is just the beginning – finally fans will be able to follow their heroes, providing real insight and understanding like never before – but we can imagine that by Beijing 2022 this experience will have been developed much further.

Importantly, Clarke explains, such technological examples will re-engage fans with the Olympic Movement, allowing young tech-savvy fans to enjoy authentic and relevant experiences.

Clarke believes that if the experiences are carefully crafted, it could have a huge impact on grassroots sport everywhere – inspiring all who engage to believe “I can do that”.

“You need to strike the right balance. There are a multitude of opportunities available with technology, but it is always important to ask whether they will add to the fan experience.”

Such innovations, if developed properly, will drive new opportunities in training apps, merchandise and wearable technologies.

Grassroots

Additionally, Clarke highlights a potential recalibration of the definition of ‘grassroots’.

It is understandable why Millennials have primarily been the focus of efforts by sports rights-holders and partner brands alike in recent years. After all, this catchment can be transformed

“There are a multitude of opportunities available with technology, but it is always important to ask whether they will add to the fan experience”

Nick Clarke | digital director, M-is

into loyal fans and customers for many years to come, and they have their finger on the pulse of technological developments.

However, the world is getting older. Japan, the host of next year’s Olympics, has a higher proportion of over-65s than any other developed country – 28.1 per cent. By 2065, the proportion will have increased to 38 per cent.

Worldwide, half of all females who are born in 2066 will live to the age of 100.

An increasing number of grassroots

initiatives that are not specific to youngsters – such as Parkrun and walking football – are sprouting up to satisfy demand.

“It comes back again to the IOC’s core values of friendship, respect and excellence,” Clarke says. “Age groups should not be disenfranchised or alienated. They can still be part of something and encouraging everyone to participate in sport can have a huge impact on health.

“There is a massive opportunity to engage older people that cannot be ignored in sport. They are not only expected to work for longer nowadays; they are going to play for longer too.”

M-is has a track record over 30 years of pioneering innovative communications strategies and technologies to provide advice and support to organisations, companies, cities and regions attempting to make a difference in the sports industry. ○



(M-is)

Guinness aiming to become 'number one rugby brand' with Six Nations sponsorship

Drinks brand is the competition's title sponsor as well as Official Beer of all four home nations

Title sponsorship offers opportunity to grow Guinness brand in rugby markets globally

Ambition is to become "the number one brand associated with rugby worldwide"



Diageo's Rory Sheridan (centre) with the captains of the six nations (Guinness)

Adam Nelson

Becoming the title sponsor of rugby union's Six Nations Championship has helped Guinness create a "unique and holistic marketing platform" says Rory Sheridan, head of partnerships, Europe at Diageo, owner of the iconic Irish brand.

The story of how Guinness finally became the title sponsor of the Six Nations in December 2018, a year later than expected after Diageo balked at the rights-holder's initial financial demands, is already a cautionary tale in the sponsorship industry.

Rejecting a £14m (€16m/\$18m)-a-year offer from the incumbent

naming rights partner, the Royal Bank of Scotland, the Six Nations went to market with an expectation of bringing in £17m annually, only to find that it had dramatically over-estimated the perceived value of its assets. A temporary one-year extension was signed with RBS for the 2018 edition of the tournament before, finally, Guinness was confirmed as the title sponsor on a six-year deal from 2019, paying £6m for the first edition and reportedly scaling up to £12m – still only two-thirds of what Six Nations Rugby initially sought – for the final year.

At that cost, the move was regarded by many as a no-brainer, particularly given that Guinness's aspirations within the sport had been an "open secret",

as Sheridan puts it. "We never tried to hide our ambition that, when we moved into sponsoring a number of the home unions and became Official Beer of the Six Nations, it was part of a potential long-term plan to hopefully get it to a title situation one day," he says. "There were a number of factors that prevented that happening, most notably the economic slowdown of the early '10s, which meant we had to steady the ship in terms of major acquisitions and really look after the core business.

"But this isn't a deal that was done on the spur of the moment or just because of how the opportunity presented itself. It's really part of a long-term strategic plan and part of the overall direction of Guinness as a business."

Number one rugby brand

The move extends Guinness' existing reach within rugby. The brand has existing partnerships as the Official Beer of the four 'home nations' – England, Ireland, Scotland and Wales – that compete in the tournament. Elsewhere, it is the title partner of the PRO14 cross-border club competition and sponsors various clubs across Ireland and the UK. Was there not a danger that Guinness had already reached saturation point in the sport?

“That was certainly a question we were being asked by the business and asking ourselves internally,” Sheridan says. “We maintain a massive foothold within rugby, so we have to be certain that, in achieving that great accolade of being the title partner, we cut through and get that boost from putting our name front and centre.”

In practice, that means ensuring that Guinness uses the opportunity to reach out to fans who perhaps come to rugby only once a year, or who engage with the sport only casually. In terms of pure numbers, the Six Nations outstrips anything in rugby except the World Cup. Six Nations Rugby Ltd claims its global TV viewership exceeds 120 million each year, while over a million people will attend games live. The 2016 championship was named the world's best-attended sporting event in a report

from European football governing body Uefa, with its 15 matches attracting an average of 72,000 supporters.

“It's a huge, huge championship that gives us a massive audience to speak to,” says Sheridan. Guinness' existing sponsorships in rugby have been “solid foundational partnerships which really give us something to build on”, he says, “but by taking that leap, by sticking our heads above the parapet, we feel there's a real opportunity to talk to a whole new audience.

“The ambition for every brand in sponsorship is always growth – of awareness, of engagement, and ultimately of revenues”

Rory Sheridan | head of partnerships, Europe, Diageo

“It's about connecting with a much bigger sporting platform and being able to connect at a much higher and deeper level with a significantly larger number of fans. The title status gives us that stature.”

Guinness's ambition, Sheridan outlines, is to “become the number one brand associated with rugby

worldwide”, with the intention, over the course of the six-year agreement, of creating a “super-brand, where to fans and consumers, Guinness and the Six Nations are inseparable”.

Work will be required. A study conducted by GlobalWebIndex in January 2019, surveying nearly 2,000 UK consumers, found that 47 per cent still believed RBS was the title sponsor of the Six Nations. Given that Guinness had not begun activating on its first year in the role at the time the survey was conducted, that may be understandable. It is the 13 per cent who believed the title sponsor was rival brewer Heineken – which sponsors the European Champions Cup and the World Cup – which shows the scale of the challenge, with the two brands set to fight for beer supremacy in rugby.

“The ambition for every brand in sponsorship is always growth – of awareness, of engagement, and ultimately of revenues,” says Sheridan. “Even in our strongest markets there is always room for growth. Our goal is to be the brand of choice for when people decide to have a beer, and having that direct connection through the title sponsorship hopefully means that if you think rugby and you're having a beer, you think Guinness.”

Both in stadiums and on television, that means making Guinness central to



Guinness's on-pitch branding is modified in Paris, where French law prohibits alcohol advertising (Dan Mullan/Getty Images)

the Six Nations experience. Guinness already had pouring rights at the stadiums of the four home nations, and now its beers will be served at Paris's Stade de France and Rome's Stadio Olimpico – two territories in which Sheridan admits “we certainly wouldn't be a huge brand” and where Diageo is keen to see growth. Its logo is placed in the centre of the pitch in all games, although replaced by the word ‘Greatness’, written in the iconic Guinness font, for matches in Paris, to comply with France's strict laws around advertising alcohol.

Additionally, the Guinness Surge Bar at Twickenham will host live events involving current and former players throughout the tournament, another point of contact where Guinness will engage fans directly. For its broadcast activations, Guinness has created its first rugby-specific advert since 2015 as it seeks to reinforce the connection between the sport and its beers, as well as a major new responsible drinking campaign, Guinness Clear.

The activation will also involve a significant digital component, which Guinness is using to “be more tailored in terms of our messaging”. As the title sponsor, Guinness's name and logo are prominent on the Six Nations' English-, French- and Italian-language social

media accounts, and content created by Guinness as part of its activation will be shared on the main Six Nations accounts as well as by Guinness itself.

“Ultimately, it's a global campaign, so we're trying to engage consumers in the same way whether they're in the UK or Ireland, France or Italy, or in rugby-loving countries further afield like Australia, New Zealand or South Africa,” Sheridan says. “But digital gives us that chance to be a bit more tailored and a bit more reactive. We have different posts that are targeted to Welsh fans when Wales win, for example, and the same for the other five teams.”

Deep integration

Such “blanket” activation means that when rugby fans engage with the Six Nations, whether in-stadium, via broadcast or digitally, they are also constantly engaging with Guinness. This strategy dovetails with the individual partnerships with the home nations, which allows Guinness “much deeper penetration of the rugby market” than just having the title sponsorship, says Sheridan.

The byzantine nature of the Six Nations' commercial setup is thought to have been one of the factors that put off prospective title partners: the championship is jointly operated by the

six national federations, each of which own and manage a certain amount of their assets independently. This can mean that within one stadium, some inventory is sold by the Six Nations centrally, while some is sold by the union, a situation which has in the past placed limitations on how sponsors were able to activate.

Sheridan confesses that while the set up feels “a bit like a jigsaw, especially if you were to look at it from the outside”, Guinness's reach across the competition and experience working within it has made that situation not just far easier to navigate, but offers a “unique platform” that another title sponsor would not have been able to build.

“We primarily go through Six Nations Rugby Ltd,” Sheridan explains, but conversations with each of the six national unions are constant and allow for a “deep integration” of Guinness's marketing activation.

“Because we have those deep relationships already, we're really working more as a joint-venture than anything else,” he says. “We have access to all types of assets, particularly IP-related assets, that we wouldn't have had with just any individual partnership and that we didn't have when we were the Official Beer of the Six Nations. When we bring all that together, our partnerships allow us to have that unique, holistic platform to speak in that way and to communicate with our consumers and rugby fans alike.

“So these types of assets that we have access to, we wouldn't have had them with the union partnerships, and it certainly wouldn't have given us the scale and stature that we need to be able to have that tone of voice and to be able to speak credibly.”

The relationships engendered with the other major sponsors of the teams have also helped to build out that platform and give Guinness an even deeper and broader reach across rugby.

“We're used to working with Vodafone in Ireland, BT in Scotland, Isuzu in Wales and O2 in England,” says Sheridan. “The unions have always encouraged cross-pollination of thinking and joint activations, so we're used to working with several other brands and rights-holders at the same time.”



(Xavier Laine/Getty Images)

Demographic expansion

Diageo has been attempting to grow the Guinness brand considerably in recent years, not only targeting new demographics for its flagship stout, but diversifying its portfolio with the introduction of new product lines intended to capitalise on the Guinness marque while capturing consumers who wouldn't usually drink Guinness.

The Hop House 13 lager and the recently-launched Pure Brew non-alcoholic beer are both part of that play, and both will be a part of the activations around the Six Nations over the course of the sponsorship, as Guinness looks to use that platform to show off its expanded range.

The responsible drinking activation – which sees a pint of water re-christened 'Guinness Clear' – is “incredibly important to us”, says Sheridan, but it also helps to nudge Guinness into a growing market sector. “We know that the low- to no-alcohol beer category is growing massively, and we wouldn't be much of a beer business if we weren't leading that agenda. It's an opportunity for us to talk about responsibility and moderation, which is something Diageo is strongly behind, but certainly it gives us a massive opportunity to tap into that market and that segment that is growing.”

While the Six Nations activations for 2019 won't mention the non-alcoholic range – because “at a top-line, master brands comms-level, we wanted to lead with Guinness in the first year” – the combination of the title sponsorship and the launch of the Guinness Clear campaign presents an opportunity for Diageo to push into the growing non-alcoholic space, especially in future years, when Sheridan says they will look to introduce other sub-brands “at an associate level” as the partnership progresses.

The Women's Six Nations is another opportunity for growth and demographic expansion. Previous title sponsors of the men's competition didn't have a partnership with the women's competition built in, but it is something Diageo “insisted that we have” when negotiating the deal, because “as a business we have a massive agency in inclusivity and



'The Purse' is Guinness's first rugby-specific ad campaign in four years (Guinness)

diversity,” says Sheridan. Though not the title partner, Guinness still intends to activate heavily around the matches in its capacity as associate sponsor.

“We're entering territory where we haven't been before...we want to be seen as something that can enhance the women's game.”

Rory Sheridan | head of partnerships, Europe, Diageo

“The things we were most excited by going into this were the Guinness Clear campaign and the Women's Six Nations,” says Sheridan. “We'll be pushing a lot of social media around the women's games but as far as we're concerned the campaign is gender-neutral, because we see them as equal and see that as the best way of communicating with our target audience.

“We have a total Six Nations activation plan, and that's the brief the business has been given from on high, it's the one we're working to – all our agency partners, the Six Nations, the home unions are all working to. They're excited that a brand of the size and scale and stature of Guinness, with its credentials around rugby, is treating the women's games as equal. This is new to us. We're entering territory

where we haven't been before, and we may not get it right first time, but I'll be damn sure we're going to put every effort into making sure that we do and we want to be seen as something that can enhance the women's game, not a badging exercise.”

With Six Nations Rugby also targeting major growth of the women's championship in the core territories and the men's internationally, Diageo is aware that the partnership cannot be one-way. While North America remains a “key growth territory” for the company, the Guinness brand already has a strong presence there, and there is a hope that the association can help raise the profile of both the competition and the beer. With NBC showing every game from the 2019 Six Nations for the second year of a multi-year partnership, Sheridan feels Guinness has come on board at a good time.

“Rugby has a small core [in the US] but it's growing at a pretty massive rate,” he says. “There's a real opportunity there, if the symbiosis of both brands can work well together, for us to create a whole new audience for rugby in the States. I don't think anyone does brand-building as well as Diageo, and if we can bring some of that to bear on growing the sport around the world, become a part of that journey, it can only be beneficial to us as well. It's an exciting time to be part of rugby and that's why we're so happy to be where we are.” ○

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Gustavo Oliveira Vieira, President at Football Federation of the State of Espírito Santo and FIFA Master Alumnus

ADVERTISING FEATURE

The Brazilian Gustavo Oliveira Vieira is a pioneer. He is one of the 20-plus young professionals who, in 2001, graduated from the first ever class of the International Master in Management, Law and Humanities of Sport, a.k.a. the FIFA Master. From then on, he built an impressive career in sports.

With a background in Business Administration, and specialisation in corporate finance and project management, before entering the sports market, Gustavo worked in a bank, in financial departments of some companies and as a business consultant. After the conclusion of the masters, he went to work at the Argentinean Football Association, in the international players' transfer department. Later he had a stint working in volleyball - first at the Brazilian Volleyball Federation, and then at the South American Volleyball Confederation, where he occupied the position of General Secretary.

In 2009 Gustavo was appointed the General Director of the Football Federation of the State of Espírito Santo, and in 2014, he was elected President of the federation. "For me it is an honour to be the President of my native state football federation. It is my biggest professional challenge so far. Football is not just a sport for us in Brazil, it is part of our DNA and culture. Football is our passion, and to manage passion is a difficult task. I am very pleased to have been re-elected by acclamation for another term of four years, from 2019 to 2023", says Gustavo.

What is the thing that you love about your job? And what is its biggest challenge?
Everything in football happens very fast. It is a very dynamic environment. The responsibility of being the president of a federation brings with it a high level of pressure. There is a lot at stake. Media makes great amount of daily content about it, therefore someone in a position like mine is always under public scrutiny, but I actually like that. The lack of routine and all the pressure that involves my work are the major factors that make me love what I do. My biggest challenge now is to make football in my state more attractive to investors and sponsors. This way, I intend to help improve the performance of our local teams in national competitions.

What would you say was your biggest achievement so far?
The exponential increase of the federation's revenues in the last three years, the

implementation of a governance and compliance programme, the acquisition of new sponsors and the deal with a new television and streaming rights partner.

Do you still remember why you did the FIFA Master? Was it worthwhile for you?

I wanted to work in the sports market but did not have any know-how, academic or professional experience in the area. The FIFA Master provided me with the academic and technical knowledge I needed to enter the sports industry.

Are you still in touch with classmates or other alumni? How important is that network for you?

Yes, for sure. For me the most important thing from the masters is the network you can build. I made real friends from my class (2001) and also many more who graduated after me and are part of our Brazilian alumni. I have professional contact with some of them, and the fact we had taken the same masters, greatly facilitates the relationship.

What are your fondest memories of the FIFA Master?

The wonderful time I spent with my classmates! I remember all of them with great affection. Last year, I came in London as the Chief of the delegation of the Brazilian National team, when we played two friendly matches. I made sure I went to visit the De Montfort University, in Leicester, and that was a very especial occasion for me. I spent time with the students and visited the city. It was a journey back in my memories.

Many candidates join the FIFA Master hoping to one day do what you do. Do you have any advice for the current students of the FIFA Master?

Enjoy every second of it. Time flies and you will miss everything back. And more important, always keep in touch with your classmates. Technology helps a lot on that nowadays.



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What are the commercial opportunities and risks in harvesting athlete biometric data?

Squash, cycling, golf and the NFL are all exploring the commercial potential of athlete biometric data

Early progress being made in broadcast, fan engagement and sponsorship

Biometrics seen as adding value to other assets as much as creating a new category of their own



David Walmsley

When the NFL and its Players Association union brokered their current collective bargaining agreement in 2011, the final text contained just one mention of biometric data – a two-sentence clause in the player protection section that required management to obtain consent before sharing any data collected for medical purposes.

“That is literally it,” says Casey Schwab, NFLPA vice-president, legal and business affairs. But he adds: “For the next agreement in 2021, there’s going to be much more language around data – in both its production and its commercialisation.”

That change in focus has been a very recent one. Even in the NBA’s more

recent CBA – signed in 2017 – the data capture element was concerned primarily with prohibiting the use of biometric information in contract negotiations. But change is under way as more rights-holders and athletes’ representatives see commercial potential in human data.

Mark Gorski, chief executive of Sports Data Labs, one of the companies leading the development of biometric tracking technologies and the business models around them, explains: “While the industry as a whole is still in its infancy stage, I think we are beginning to see rights-holders, commercial partners and fans have a better understanding of what this data means and why it’s important, which is driving new value creation.

“A few things have taken place in the last few years which have driven a lot of

interest in our space: one, technology has improved; two, consumer adoption of wearables and other sensors has increased; and three, with the increase in wearables use, people are becoming more familiar with what this data means as it relates to their own bodies. The consumer’s ability to now relate what they see in a live sporting event to what they see with sensors they utilise [themselves] creates a very unique and powerful connection to the event and the sport they are watching, and that has created value for the data.”

The other factor helping create this new opportunity around biometrics is the extent to which other forms of performance data have already been embraced by sports fans, broadcasters and partner brands, making the addition of this ‘human data’ feel aligned with the existing direction of travel.

Case studies: Early adopters

Cycling: Velon

Velon was set up in 2014 by 11 of the UCI World Tour's cycling teams as a vehicle for making more revenue for its members and the wider sport, with innovative use of rider data at the heart of its commercial strategy.

Having begun collecting and broadcasting riders' biometric data in real time at the Tour de Suisse in 2016, Velon now tracks five data points on its member teams' bikes – speed, position, cadence, power and heart rate (the last three of which would be considered biometric outputs) – and monetises these measurements in two main ways: creating commercial partnerships around the collection and analysis processes themselves, and selling the packaged information streams to race organisers for them to use in support of their own broadcast and sponsorship rights.

Velon chief executive Graham Bartlett explains: “We are the only company in the world of sport which transmits live biometric data. We work with Flanders Classics, RCS [owner of the Giro d'Italia] and the London Classic, among others. All our race partners want live race data, which they can then use in their business model for the race, and at the same time we are building our own platform to showcase this and all the other video content we produce.”

The organisation has just announced a three-year deal that will see professional services firm EY become its Official Data and Innovation Partner, an agreement primarily about allowing the brand to build and demonstrate its data capability – something Bartlett sees as a key attraction of biometric data partnerships.

He says: “EY have been on board for the last couple of years investing in the system and building it with us and they want to do bigger and better things. They are not a badging sponsor, they are an investing sponsor and one of our marketing partners, so they will be providing skills and resources as well as revenue for us, and be promoting us around the world too.

“There are two or three other companies that have been very good

for us in the development process who work on the basis that they don't want marketing rights, they want to be part of the project and get technology development and B2B benefits from that. It's a fascinating challenge for companies in the business of developing mobile networks and devices that transmit this type of data. We are a brilliant proving ground: if you can do it on a bike race that moves constantly for three weeks from Tel Aviv to Rome, then IoT-ing someone's fridge is pretty simple by comparison.”



“[Sports betting is] the newest opportunity, the most robust opportunity and the one we need to be most cautious about.”

Casey Schwab | vice-president, legal and business affairs, NFLPA

American Football: NFLPA

The NFL Players Association has exclusive control over the commercial use of its members' data, biometric or otherwise. As with the name, image and biographical rights it already licenses for merchandise sale and video game use, active players have mandated the union to monetise this information on a collective basis, although any individual can opt out of the programme.

The NFLPA has been building partnerships around biometric data for two seasons now, after it established its OneTeam Collective start-up business

accelerator to expand the range of companies it could engage.

Deals so far have focused on biometric data collection rather than utilisation, with the WHOOP Strap 2.0 designated as the “officially-licensed recovery wearable of the NFLPA” and the union is also working with performance-monitoring clothing developer Strive Tech, athletic performance company EXOS and, most recently, smart bed manufacturer Sleep Number, which is also an Official Partner of the NFL itself.

The NFLPA took an equity stake in WHOOP rather than a share of licensing revenue, handling the distribution of the bands to players and giving WHOOP the required access to provide training in how to use them. The data produced – primarily heart-rate monitoring – is being used for a joint study on the effects of sleep, travel and scheduling on athletes' recovery rates.

The union takes a similar view to Velon in seeing much of the early-stage partner value of biometrics being in proof-of-capability for brands already working in the space. Schwab explains: “WHOOP is leveraging the NFLPA brand to enhance their brand and the consumer appeal of their products. If NFL players use it to help their performance and recovery, as a recreational athlete I can say: if it works for them, it must work for me. That's probably the value right now.”

Schwab indicates that the union is taking a cautious approach in determining how it widens out the category, specifically to make sure it fulfils its principal remit of protecting its members. He says: “Our utmost priority is that we do it right before we start signing deals. Data collection in 2019 is much better than it was in 2017 but it is still not there yet in terms of being completely reliable and accurate. We want to make sure we do it right with the right partners. We are hyper-diligent because it is sensitive information we're dealing with.

“For example, we have done a deal with Sleep Number, but our relationship with them is at a very early R&D



(Steve Line/SquashPics.com)

collaboration stage, where the players are getting free beds that collect sleep information. We have a commercial deal in place, but you won't see any use of that data in the short-term yet."

Squash: PSA World Tour

The governing body of the professional squash circuit has introduced biometric

player tracking for its 2018-19 season, collecting real-time heart-rate data during tournaments using basic wearables and software developed by partner Sports Data Labs. The Tour's initial aim is to generate money to bolster its prize pool, enabling players to benefit directly from the commercial application of their data. For the first

season, this is an additional £100,000 (€113,000/\$130,000) sourced by Sports Data Labs to get the project up and running so the PSA has a proof of concept to take to other potential partners.

The PSA has not yet signed any commercial deals directly related to its biometric rights, but chief operating officer – and former world number one – Lee Beachill sees the initiative as a means of enhancing the Tour's wider appeal to prospective partners by positioning it as an innovative and forward-thinking property, which he says has already advanced the pace of discussions with one key sponsor at least. He explains: "This is going to add to any proposal we make commercially. It's not making a difference yet but it is putting us in markets we would not be able to get to otherwise.

"We are in the process of signing a deal with a significant digital player out there which will expose squash to an entirely new market, and the fact we can offer this opportunity is a significant part of that. Biometric data will be part of their output and it is a deal that will see squash become available on a huge platform."

Commercial opportunities in human data

Broadcasting

Broadcast and multimedia output has widely been seen as the starting point for the commercial use of biometric data in sport, largely as a consequence of the sector's existing direction of travel toward data-driven content: with player-tracking metrics from the likes of Opta and Hawk-Eye already well embedded in media coverage, adding a further layer of biometric information feels like a logical next step.

It may be significant that early forays into this territory have focused on individual rather than team sports: as well as squash and cycling, tennis has been another area of strong interest, with ATP Media trialling capture technology and broadcaster Eurosport having declared an interest both here and in athletics, while golf's European Tour incorporated heart-rate data into the world feed from its 2018 Hero

Challenge single-hole shoot-out event.

The one-on-one nature of the contest a) allows directly-comparable numbers to make the narrative more compelling than is possible in a match between two teams that pits attack against defence and makes like-for-like analysis more complicated, and b) gives amateur players a point of reference for their own game. It is no coincidence that several sources interviewed for this article used the same golfing example to highlight the potential opportunity, summarised by Velon's Graham Bartlett: "Every fan would love to know what a golfer's heart rate is when they're facing a 12-foot putt for the Masters."

The team sport equivalent is less compelling, believes Schwab, because of the number of sub-plots already running through any match. "If I think about Fox Sports airing a game," he says, "if there is more accuracy about someone running a

little slower at the end of the game, that from a fan-engagement standpoint is interesting but I don't think it moves the needle in terms of rights deals and how much broadcasters will pay.

"I don't think viewers are paying an extra \$4.99 for this extra package of data. I'm just not a believer in that. I would love that to be the case because it's more revenue for our players but I'm not convinced broadcasters will pay more because I don't think viewers will pay more."

The European Tour subscribes to the view of the addition of biometric information as being the natural next step in the data picture, having invested in recent years in gathering and visualising performance data onscreen. The Tour employs 55 people at each of its European and Middle East events to capture shot-by-shot data in real time that enables a range of statistics to be

added to the broadcast feed, such as heat maps of where balls have landed or the percentage chance of a putt being made based on where the ball is on the green.

Rufus Hack, chief content officer at the European Tour and Ryder Cup describes this type of coverage as “gold dust” for fans because “it allows them to relate to the players and compare their performance versus their own game”.

He also describes the current output as “stage one effectively”, explaining: “Stage two will be moving to explore biometric data, things like heart rate, insulin levels, those more obvious indicators of the stresses players are putting on their bodies and means of showing how different people’s bodies react in different ways. It’s something that could be really interesting in golf given the wide range of challenges faced by our players and the importance of the mental aspects of the game.”

And he adds: “It’s definitely a massive thing for our broadcast partners. We’ve renewed 21 of our broadcast deals over the last 12 months or so and one of the key things we were discussing when talking about how we were evolving the product is how we put more data into it – primarily performance but also biometric. Biometric data is up there in the top rank of things rights-holders and broadcasters should be thinking about.”

Fan engagement

Rights-holders are also looking to use biometric data across other platforms to strengthen connections with athletes, teams and events, primarily by adding context to elite performances that make them more compelling.

This is particularly true for niche sports, which see biometrics as a means of showcasing the physical abilities of their elite performers. Beachill says: “Content around matches and events is becoming very important to the sport of squash and biometric data will be a huge element of that, particularly in showing how good our athletes are. We believe our athletes are among the best in the world and the more data we have, the more we can prove that.”

That is an important driver for Velon too, although the cycling collective aims not just to highlight the riders’ capabilities but also the challenging



“Biometric data...is a deal that will see squash become available on a huge platform.”

Lee Beachill | chief operating officer, PSA

conditions they are competing under. Bartlett says: “The teams and riders really want to see the sport engage with more people and want people to better understand how fantastic their performance is. In other sports it’s great to see how fast Roger Federer’s serve is, but you don’t need to know that to appreciate how brilliant a tennis player he is.

“Bike racing is a lot more difficult to

understand. It’s like skiing, for example: you don’t always appreciate how steep a mountain is because there is not really the depth of perception and context in the pictures you are seeing to understand just how different the athlete’s physical performance is to that of a normal person.

“Take Chris Froome’s ride on stage 19 of the Giro last year [when the British rider staged an epic escape to take victory]. We shared the data but we were only sharing numbers: 397 watts on the key parts of the stage. You would say ‘wow’ if you know the sport, but if you don’t, you need context. An F1 car doing 260 kph, for example, I know what that means. Because I drive a car, I can contextualise it. We need to make our own data more relevant so you can really see it.”

Sponsorship

With Tourism Ireland launching a global campaign in December 2018 that used the heart-rate data of a holidaying couple to choose the locations and experiences that featured in its commercial, it is clear that biometrics are already on the marketing industry’s radar. In sport, however, brands outside the data and technology sectors have



(Andrew Redington/Getty Images)



(Michael Reaves/Getty Images)

been slower to explore the opportunity.

In the US, that is primarily a consequence of uncertainty surrounding what type of rights are likely to be available and how sponsors will be able to activate them. Alex Crimmens, senior consultant at rights-marketing agency The Sports Consultancy, says: “Awareness of biometric data is still relatively low as rights-holders and athletes continue to explore the governance around distribution and ownership. Across the major leagues in the US, biometric data remains contentious and divides opinion. In the NBA, for example, players have refused to agree to an official presence of wearables on-court and such legislation has been included in the 600-page collective bargaining agreement.”

If that hurdle can be overcome, though, rights-holders and agencies both see rich potential in partnerships that utilise biometric data, although in the short term at least the B2B opportunity already in play is likely to remain the easier pitch to make.

Hack sees sponsors’ growing interest in more innovative approaches dovetailing with what biometric data applications have to offer. “I think there is a significant sponsorship opportunity around this stuff,” he says. “It’s now easier to have a conversation with a potential sponsor about branding the microphone on in-round interviews than more traditional broadcast

assets like branding the leaderboard. These are things that can offer deeper engagement than traditional broadcast or sponsorship assets and appeal to a wider set of sponsorship partners too.”



“Opta and Hawk-Eye are brilliant, but the ball doesn’t have a heartbeat.”

Graham Bartlett | chief executive, Velon

Betting

The opening up of sports betting in the US since the repeal of PASPA last May has made gambling one of the hottest topics in the North American market, with data and statistics already emerging as a key focus of product development, particularly as properties such as the NBA and NHL have pivoted from

seeking royalties to striking intellectual property deals with sportsbooks that provide exclusive access to proprietary league data.

The consensus around the opportunity for biometric data is that it may be significant, but no-one knows precisely what it will look like and its exploitation is unlikely to be imminent.

Springtime American football league the Alliance of American Football, which begins this month, has already put biometrics at the heart of its business model: as part of a deal with gaming giant MGM, Alliance players will put on wearables to collect second-generation data that will be used to determine odds for in-game betting in real time.

Kristy Gale, chief executive of Hypergolic, an Arizona-based data rights management company, says: “My conversations with players in this space say there is potential, but it is still very early on, although things are moving quickly. Maybe two years ago, the conversations I was having with betting data providers were about trying to envision how this type of data could be utilised in wagers. It was a stretch to think of what future sports betting products that incorporate athlete biometrics and tracking data would look like but, with data that is predictive of outcomes and with mobile and the opportunity for in-game wagering, we now see they can offer many more products that will use athlete biometrics and tracking data. Four years from now we will have some pretty robust betting products available.”

That sort of timescale reflects both the pace at which biometric data is likely to become widely available and the fact that sportsbooks are likely to begin by working their way through the possibilities of the large number of game-based data points that are already well-established, both in terms of their availability and in the betting public’s understanding of them.

There is also some uncertainty over the extent to which gamblers will take to betting on biometrics themselves, the most commonly-cited example of which is a player’s heart-rate before taking a key penalty, shot, putt or kick. The more immediate opportunity for biometrics may therefore be to play another

supporting role, either in helping bettors make their selection choices or in creating engaging content around the main markets that attract more people to wagering.

The NFLPA's Schwab describes betting as "the newest opportunity, the most robust opportunity and the one we need to be most cautious about", but believes: "The opportunity is not in 2019 and likely not in 2020 either."

When it does arrive, Schwab also believes it will be around shoulder

content rather than a direct staking proposition. He says: "The nascent sports betting market needs to develop and so does data. But as they mature, you can see an opportunity for wider content around sports betting. The bettor who wants all the information could be willing to pay a premium subscription to ESPN or DraftKings to get more about the teams they're betting on.

"If you were to ask me to place a wager on which opportunity will be

more robust, I would go with that, but I have also spoken with sports betting operators who have shown interest in [using biometric data for] customer acquisition. That is an interesting spin that could get people more interested, with non-bettors dipping a toe in the water, but data is a small piece of a larger puzzle, whether it is overall content around betting or setting lines directly. It is one of a bunch of different inputs rather than simply saying we will bet on the kicker's heart rate."

Control is key to getting players onside

None of this can happen, of course, without the consent of the athletes providing the data, and there are plenty of reasons why they may be reluctant to share, on an identifiable basis at least. The Australian Football League has admitted its efforts to enable in-play betting on even the most basic measures (distance run, top speed et cetera) have been poorly received by players, who find that variations in performance quickly become another point of public and media comment they could happily live without.

It is significant that the early movers in the space are properties in which the athletes have a relatively strong voice, such as unions like the NFLPA and membership organisations such as the PSA, ATP and European Tour. Even so, acceptance has come slowly, though a generational shift in attitudes towards performance monitoring could see the pace of adoption begin to lift.

Gale recalls: "Back in 2013 and 2014, when some athletes were asked what they thought about collecting data using wearable technology, just to help them perform better, they had some concerns and didn't want to wear a wearable that could identify what they were doing – or what they weren't doing – all day long, especially on a 24/7 basis."

But she adds: "That is changing. I spoke to someone from one of the players unions here in the US recently and they said one of the distinctions they are finding is in age. A lot of the young athletes are used to being tracked through high school and university

sports, but older athletes find it intrusive and need more information to be comfortable with it.

"The NFLPA is the first union to have developed a business model to realise the value in data so far and they have done a good job in educating their players – and it is an educational process: we need to give athletes the heads-up they need about what the data collected from them today means for them and their careers tomorrow."

This same shift has also been seen by the union, with Schwab reporting that out of more than 100 collegiate players invited to participate in a biometric tracking experiment during practice for this year's College All-Star Game, only two declined and neither of them over concerns about the collection, storage or use of their data. He says: "The

younger generation especially are used to this kind of technology that collects data. They have grown up in an age of this type of technology. It's the older players it takes a little more explaining to.

"I have spoken to a few big-name players and the decision is around how invasive is it: who is using it and how are they using it? But as long as the NFLPA controls that, I think our players are in control. The vision for us is that every active NFL player has a data profile of all the biometric data imaginable and only he has access to that. He then gets to decide what he's comfortable sharing with us and also what he's comfortable with us then sharing and monetising with third parties. As long as they are in control, our players are comfortable with it."



(Dustin Bradford/Getty Images)

More v better

Biometric/human data clearly has potential to generate new commercial income as a standalone asset class, and Sports Data Labs' Gorski argues that, in instances where players are earning a direct revenue share of any property-wide partnership, the creation of a new category is "the cleanest way to distribute revenues".

What currently appears to hold the most appeal to the industry, though, is using biometric data to add value to existing rights categories – particularly in media and sponsorship – and enhance (or protect) the rates they are able to command as a result.

Crimmens argues: "Although interesting on its own, the true value and intrigue of biometric data is uncovered when it is combined with a wider range of data points. As such, it is unlikely that biometric data will become a new rights category and it is more likely to supplement existing data partnerships in order to create a richer activation."

Perhaps the most important balance rights-holders need to strike around biometric data, though, is how they move forward quickly enough to maximise the opportunity of first-mover advantage but slowly enough to make sure they have fully addressed the challenges of technology, security and relevance that could still trip them up. The European Tour expects to run more experiments this year to strengthen its proof of concept, which Hack describes as "still at a very nascent stage", saying that the



"I think there is a significant sponsorship opportunity around this."

Rufus Hack | chief content officer, European Tour and Ryder Cup

organisation will only move forward "once the players and other stakeholders are comfortable and we have got the technology right, because just beaming this data back from across an entire golf course is a material challenge.

"If you get it right it can be a potential differentiator," he says, but warns: "The flip side is that we will probably get to a place in five years where if you don't have this you will suffer and potentially see an impact on rights values as a result. In the medium- to long-term this will be expected as part of the package."

At least the technology and contractual challenges of the biometric

opportunity are relatively easily quantifiable. The more fundamental challenge is determining how best to use the data once all the necessary systems, checks and balances are in place. As the organisation furthest along the biometrics route, Velon is already concluding that users of human data face the same truth already encountered in all other areas of data-driven strategy: that quality is more important than quantity and capturing the *right* data is more important than capturing *all* data.

Velon has already dropped acceleration from its broadcast metrics, "because people couldn't get their heads around what it was", says Bartlett, and is now looking at adding some non-biometric measures that help put the human data in a context that makes it easier for the viewer to understand.

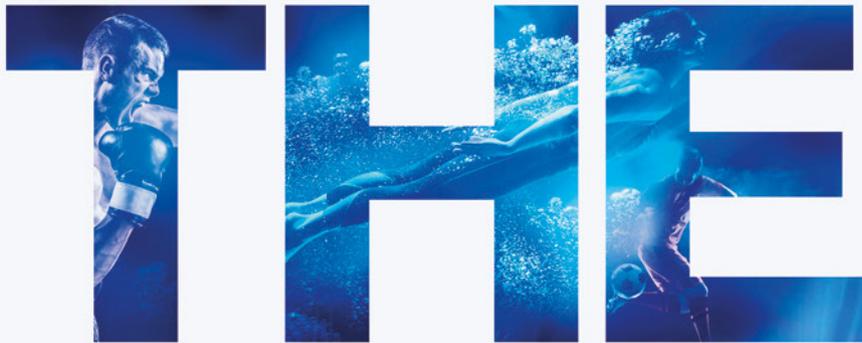
And he adds: "We have held back on some. Just because you can doesn't mean you should. If we're going to publish something, what is the reason for that and how does it fit with our objectives? If we want to educate the fan, does showing cadence do that? The jury is still out. The future might not be adding more data but using what we've got in better ways."

Putting the 'human' in human data is likely to be the key to the successful use – and consequent monetisation – of biometrics, creating an individual or team narrative fans will buy into and follow. As Bartlett puts it: "Opta and Hawk-Eye are brilliant, but the ball doesn't have a heartbeat." ○



(Michael Dodge/Getty Images)

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SPORTELAsia ‘here to stay’ as sports media industry gathers in Macau

With Asia ready to host a string of top-tier sporting events, including the summer and winter Olympic Games in 2020 and 2022, the sports media industry’s biggest annual gathering, SPORTELAsia, has taken on extra significance.

Since the late 1990s, SPORTEL has rotated its spring convention between Asia and the Americas, complementing its long-established annual gathering in Monaco, with each show becoming a must-attend event for sports media executives.

This year’s edition of SPORTELAsia will take place in Macau from March 5-7, and SPORTEL chief executive Laurent Puons believes that Asia still represents a huge opportunity for the industry.

“In the near term, Asia will play host to some of the world’s most-anticipated global sporting events,” Puons says. “Fans from across the globe will watch their favourite sports played at the highest levels during Tokyo 2020, Beijing 2022 and a host of other international tournaments all taking place across the Asia-Pacific.

“All of these events provide their own unique opportunities for members of the SPORTEL community to do business and that’s why SPORTELAsia is here to stay.”

Strategic location

According to Puons, Macau is ideally positioned to welcome the international sports media industry, with the conference programme set to explore topics ranging from the growth of OTT, how rights-holders are unlocking value through digital, and understanding the latest developments in sports.

“SPORTELAsia has not been back to the Far East since SPORTELAsia 2014



in Shanghai and a lot has happened in the industry since then. Macau is strategically located for our community to come together and do business in Asia,” he says.

“This year we have made a number of changes to make SPORTELAsia different to all of our other events. We have new tailor-made exhibitor packages to help all types of businesses maximise their ROI, an exhibition floor with more networking areas and conference programme events dedicated to the growing sports market.”

Bright future

Given Asia’s busy schedule of major international sporting events in the coming years, SPORTEL decided to bring conventions to the continent in consecutive years for the first time, with SPORTELAsia 2019 in Macau following last year’s edition in Singapore.

Puons insists that the Americas

as a region remains “very important to SPORTEL” and highlights the invitation-only Sports Decision Makers Summit, which will take place in Miami on May 6-7 in partnership with SportBusiness and “is going to be a game-changer”.

However, he adds that the opportunities presented by the burgeoning market in Asia are too enticing for the industry to ignore.

“Taking a long-term view, Asia is home to some of the most passionate sports fans in the world and they want to engage with their local, regional and international sports heroes,” Puons says.

“With so many emerging markets across Asia-Pacific, new fans are created every day, with millions still to come. Add into the mix the exciting new technologies that are being delivered for fans across Asia, and it ensures that the future of sports business in Asia is bright.” ○

Top 10 media-rights deals

since Sportel Monaco 2018



1 Fox renews with Major League Baseball

\$5bn, 2021 to 2028

Fox Sports took hold of domestic MLB rights in 1996; its grip has been unwavering since 2001.



2 Canal Plus jumps on Premier League in France

\$323m, 2019-20 to 2021-22

Canal Plus was willing to pay a premium over other broadcasters, but it didn't prevent a fall in the value of the rights.



3 DAZN buys Major League Baseball

\$300m, 2019 to 2021

DAZN makes its first of several appearances on this list with its first entry into US major league sport, acquiring a package of MLB digital rights.



4 Mediapro and beIN Media share French Ligue 2

\$290m, 2020-21 to 2023-24

A record deal for the Ligue de Football Professionnel's second-tier competition, the 190-per-cent increase was driven by the two operators' need for content ahead of difficult carriage talks in 2019.



5 DAZN shines with Golden Boy Promotions

\$270m, 2019 to 2023

Saúl 'Canelo' Álvarez became DAZN's golden boy as the US OTT platform continued to add boxing content.



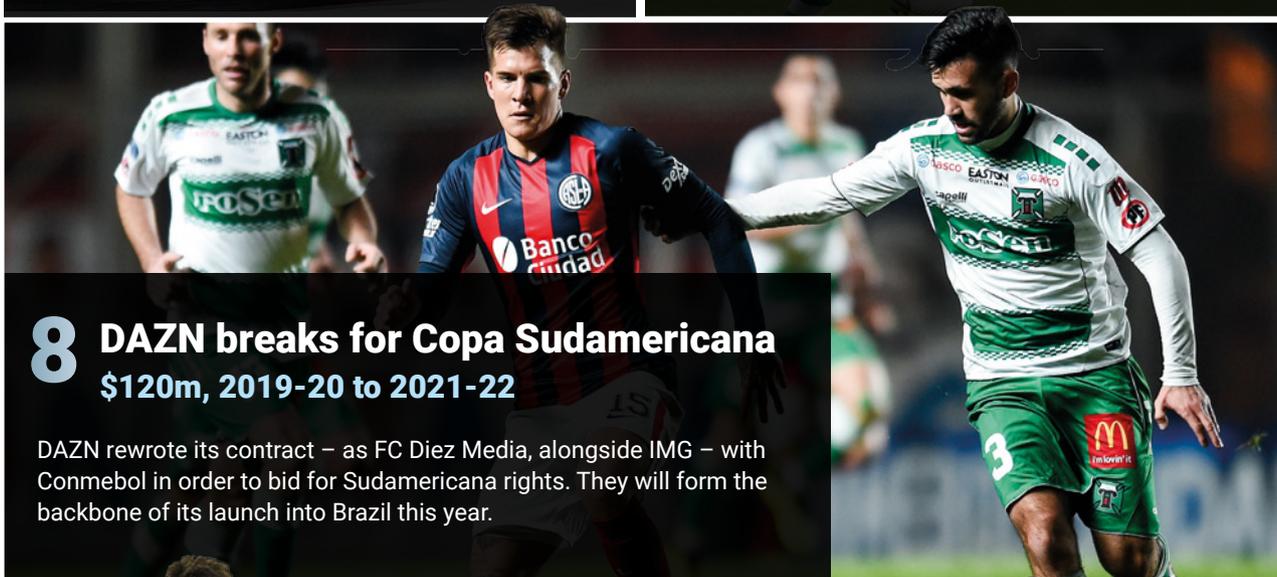
6 DAZN acquires FIM MotoGP World Championship \$249m, 2019 to 2022

DAZN's willingness to pay an increased rights fee – and its low price point for consumers – were the crucial factors in winning MotoGP rights in Spain.



7 Sky gets Scottish Professional Football League \$166m, 2020-21 to 2024-25

Sky was keen to muscle out BT Sport and win back SPFL exclusivity for its own platform. Sky's appetite for the rights ensured the continued rise of domestic media income for the SPFL.



8 DAZN breaks for Copa Sudamericana \$120m, 2019-20 to 2021-22

DAZN rewrote its contract – as FC Diez Media, alongside IMG – with Conmebol in order to bid for Sudamericana rights. They will form the backbone of its launch into Brazil this year.



9 DAZN gets English Premier League \$78m, 2019-20 to 2021-22

DAZN's impact on competition for Premier League rights in Spain was a welcome surprise for the Premier League, which ended up earning millions more than expected.



10 Sky Italia takes English Premier League \$70m, 2019-20 to 2021-22

Incumbent rights-holder Sky Italia secured Premier League rights for another cycle, paying a modest uplift.

Eurovision Sport & Eurovision Services partner to provide 360° media solutions



(EBU)

The European Broadcasting Union has opened a new chapter in its relationship with sport with the launch of Eurovision Sport and Eurovision Services to deliver the full range of rights management, production, distribution and digital services to support members, clients and federations around the world.

The EBU has been a key player in sport since its launch back in the 1950s and remains firmly committed to the principles of delivering free-to-air sport. Representing a network of 117 public service media organisations in 56 countries, the EBU has long worked to keep the best sporting events free to all – on all platforms.

But the changing broadcast environment and ever-evolving sport market has seen the needs of

broadcasters and the demands of consumers change fundamentally.

And according to Eurovision Sport director Stefan Kürten, the launch is far more than a rebranding exercise: “To get ahead of changes in the sport media landscape, we decided to transform ourselves and be more agile and flexible to adapt to the rapidly changing market.

“In cooperation with Eurovision Services, we are also in a strong position to offer market-leading media solutions to all stakeholders.”

Eurovision Sport currently manages the media rights for 18 different sports, handling more than 30 different contracts every year. This represents over 28,000 hours of programming which Eurovision Services often produces, distributes and personalises on behalf of federations.

Kürten continues: “We are unique in

offering federations both visibility and revenue.

“Because we are representing a union of all of the most powerful free-to-air broadcasters in Europe, we are driven by their aspirations and ambitions to focus on what is best for sport. We’re not driven by generating profits on the back of sports.

“That means keeping major sporting events accessible to all – regardless of income – as well as helping to nurture and grow developing sports, winning new audiences and encouraging participation.

“That’s something we have succeeded in doing for many years; our partnership with federations like the International Biathlon Union is just one example of how consistent and creative coverage has seen audiences grow every year and moved the sport from being a niche

activity to a leading part of winter sports for millions.

“We achieve success for all stakeholders through collaboration allied to expertise, combined with skill and with passion. It’s a win-win scenario for sport and all sport stakeholders.”

To strengthen its position on the market, the EBU decided to create a subsidiary for its business services. The new entity – Eurovision Services – was launched on 1 January 2019.

For Marco Tinnirello, chief executive of Eurovision Services, the creation of the new subsidiary delivers the agility, speed and clarity which enables it to maximise the value of its offer to a wider range of users.

“Business services have always been a core activity of the EBU alongside member services,” he explains.

“While Eurovision Services will continue to look after EBU Members, our role as a go-to media services provider is to offer the services required to ensure that all stakeholders benefit. The market is moving so fast and is so dynamic that we really wanted to create an entity that would deliver the right products to the right clients at the right time. Our new service portfolio has the agility and ability to adapt and enhance content to meet market needs.”

Tinnirello and his team understand that “great events don’t happen by accident” and that, in a highly-competitive and fast-changing media environment, there is increasing pressure on event organisers, sports federations and media organisations to deliver outstanding experiences.

“For our clients the stakes have never been higher and the need to maximise content value has never been greater. We bring the expertise, experience and resources to help produce, distribute, personalise and optimise content,” Tinnirello says.

“We put content at the heart of our new strategy because we want to allow our clients to focus on what matters to them – creating truly amazing content and events.”



Eurovision Sport director Stefan Kürten (Steve Forrest/Workers' Photos)



Marco Tinnirello, chief executive of Eurovision Services (Steve Forrest/Workers' Photos)

“The market is moving so fast that we wanted to create an entity that would deliver the right products to the right clients at the right time”

Marco Tinnirello

Rapid changes in the media environment have created new demand and different expectations across stakeholder groups and the emergence of major new players in the distribution arena is sure to impact the market in the years ahead.

But, says Tinnirello, the ability to cover the full value chain and help clients bridge the gap between content creation, these new platforms and their other distribution channels is a key

element of their new service portfolio.

“The current media market demands flexibility. This can be challenging for us and other organisations when it comes to committing large investments in technology or equipment.

“We’ve addressed this by implementing an IP Network to allow us to provide dynamic services for our clients, such as monitoring their own media network operations and content media workflows, without having to invest more in core infrastructure,” he says.

“Our suite of digital services, including Eurovision Streaming and the Eurovision Near-Live Clipping Platform, also allow our clients to immediately make use of available content from the event to promote their key messaging and reach audiences on different platforms around the world.”

In fact, the European Championships, a complex major event in which some 4,500 athletes competed in seven different sports in host cities 1,600km apart, provided an ideal showcase for how Eurovision Sport and Eurovision Services can work together to deliver outstanding sporting occasions.

Kürten says: “We worked hard with Members, partners and the sporting federations, from the inception of the combined European Championships, to bring a truly innovative experience to audiences across Europe and the world.”

“Being close to the content means we are in a unique position,” says Tinnirello. “Together with the EBU and Eurovision Sport, we offered services across the value chain for this historic event, making it easier for our clients to maximise their content value and promote their key messages to audiences on different platforms around the world.”

The event succeeded in delivering significant audiences for all the sports involved. Viewers in the ten key European markets tuned in for a total of over 567 million hours. ○

@EurovisionMedia
@EBU_HQ

Asia media rights report

Ahead of Sportel Asia 2019, the *SportBusiness Media* team identify and explore three key trends in the region's media-rights market.

Facebook testing the water

Facebook has seen an opportunity to test a sports media-rights strategy for Asia based on top European football.

Via two deals in southeast Asia, last year Facebook acquired English Premier League rights in Thailand, Cambodia, Laos and Vietnam. The three-season deal in Thailand, Cambodia and Laos, from 2019-20 to 2021-22, will be worth about \$70m per season. Incumbent holder beIN was believed to only offer about \$45m for the 2019-20 to 2021-22 cycle, less than half than the \$97m paid in the 2016-17 to 2018-19 cycle. The deal in Vietnam – over the same three-season cycle – will be worth about \$25m per season.

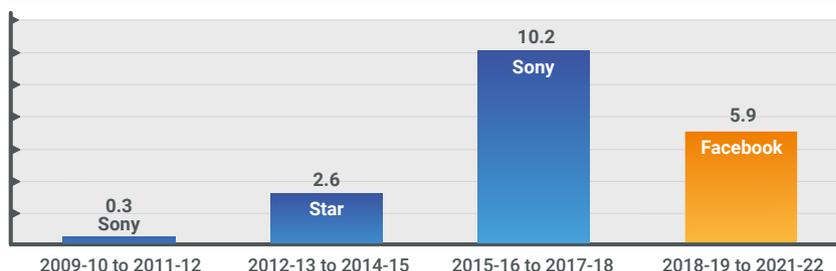
Facebook is understood to have targeted premium sports rights in both Thailand and Vietnam as the two countries are in the top 10 markets for mobile video viewing worldwide.

In India, where domestic giants Sony and Star have focused their spending elsewhere, Facebook eased into the market with the acquisition of Spanish LaLiga. Its deal is for three seasons, from 2018-19 to 2020-21, and is worth about €5m per season. It subsequently sublicensed some coverage to Sony.

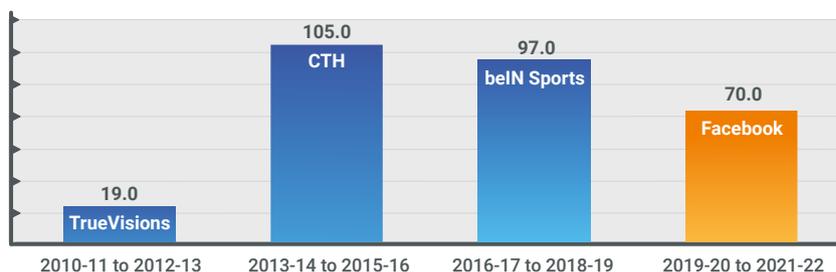
In all three cases, Facebook picked up the rights for less than their value in their previous deals.

HISTORIC VALUES OF PROPERTIES FACEBOOK HAS ACQUIRED

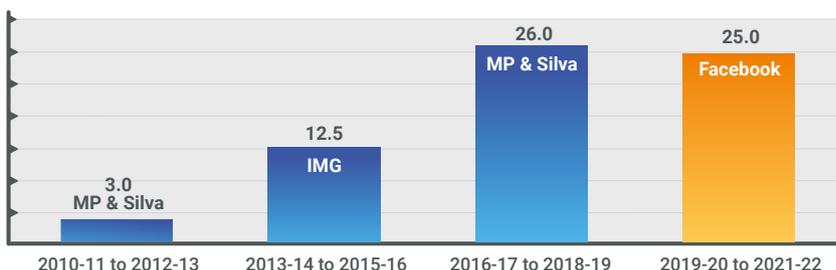
INDIAN SUBCONTINENT – SPANISH LALIGA (\$M/SEASON)



THAILAND, CAMBODIA & LAOS – ENGLISH PREMIER LEAGUE (\$M/SEASON)



VIETNAM – ENGLISH PREMIER LEAGUE (\$M/SEASON)



Tencent and PPTV the leaders in post-LeSports China

The Chinese media-rights market has become increasingly difficult to predict as years of weighty investment into sport, encouraged by the government, have given way to high-profile failures and increased political scrutiny.

Tencent's deal for NBA digital rights – the starting gun for the rapid expansion in media-rights fees in China 2015-2017 – remains the country's most

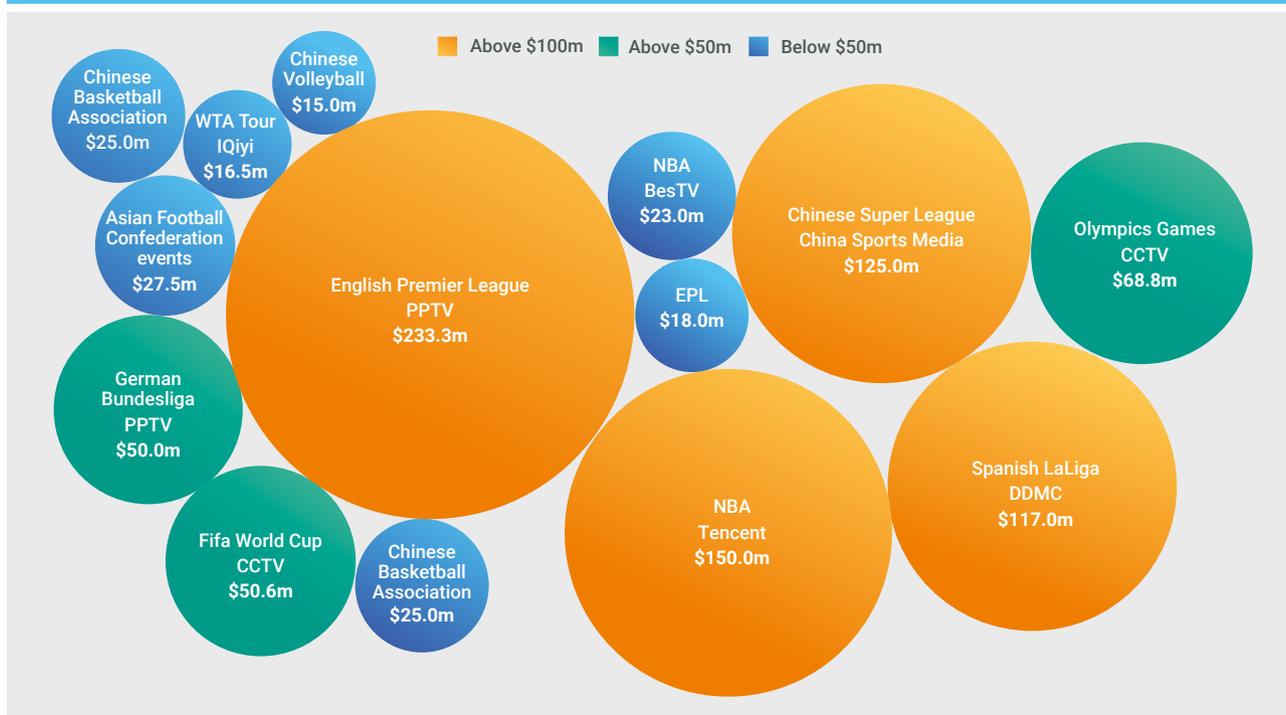
valuable extant agreement. Struck in February 2015, it runs from 2015-16 to 2019-20 and is worth about \$150m per season.

Originally worth about \$100m per season, it was expanded in the summer of 2016 to incorporate the NBA's League Pass, allowing Tencent to show every NBA game.

It will quickly be dethroned as the

most valuable in the country when streaming company PPTV's three-season deal for English Premier League rights – signed at the height of rights-fee inflation in China – comes into force at the start of the 2019-20 season. Worth about \$233m per season, it will be an increase in value of about 1195 per cent on the 2013-14 to 2018-19 deal with Super Sports Media Group.

ANNUAL/SEASONAL VALUES OF SELECTED MEDIA-RIGHTS DEALS IN CHINA



DDMC Fortis strikes early winner for AFC rights

Toward the end of last year, the Asian Football Confederation again sold its global media and sponsorship rights (excluding the Middle East and North Africa) for two four-year cycles – a blockbuster tender that brought almost every media-rights agency out to play.

It was won by DDMC Fortis, which offered a minimum guarantee of \$2.38bn. Comprising Chinese media company, Wuhan DDMC Culture, and sports marketing agency, Fortis Sports, DDMC Fortis is a joint venture that was created specifically for the AFC bid process by former Team Marketing executives Patrick Murphy and David Tyler.

In the current AFC global-rights deal, from 2013 to 2020, Lagardère subsidiary

World Sport Group pays \$75m per year for all rights, including the Middle East and North Africa. DDMC Fortis' fee was nearly \$400m higher than the second-highest bid, from the MP & Silva agency. It was also eight-times higher than the current value of the equivalent rights.

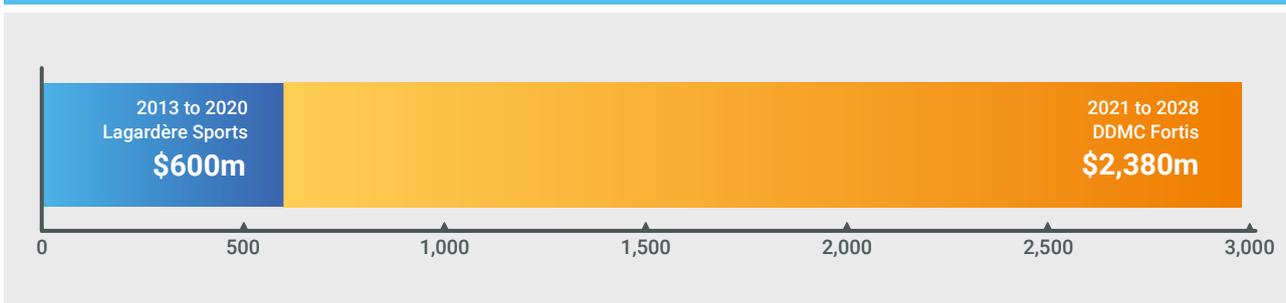
The closure by Chinese conglomerate LeEco of its LeSports streaming service in China and Hong Kong removed the most aggressive player from the Chinese market. DDMC Fortis' chief executive Patrick Murphy is undaunted by the apparent cooling of the market, however. "Our projections haven't changed at all since we made the bid," Murphy said. "We have a huge depth of experience in that market both on the DDMC and

Fortis side, so we are very confident."

Seasoned China-watchers point to a comment made by DDMC Fortis chairman Yi Rentao when unveiling the deal in October. Rentao described the deal as "an opportunity for DDMC to carry out the important 'Belt and Road' strategy".

The Belt and Road Initiative is the Chinese government's plan to invest in infrastructure projects across Europe, Asia and Africa. By trying to place a football rights deal within this wider economic framework, observers say, the company is hoping to keep Chinese leader President Xi onside at a time when other investments in sport are coming under scrutiny. ○

TOTAL AFC COMMERCIAL RIGHTS INCOME, 2013 TO 2028



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W South Beach

London

9-10 July 2019
Rosewood London

Miami Speakers



George Pyne
Founder & Chief
Executive Officer,
Bruin Sports Capital



James Pallotta
President & Chairman
AS Roma



Sean R.H. Bratches
Managing Director,
Commercial Operations,
Formula 1

Sophie Goldschmidt

Chief Executive Officer, **World Surf League**

Xavier O'Callaghan

Managing Director, Americas, **FC Barcelona**

Terrence Burns

Executive Vice President Global Sports,
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electricity rate of eight-to-ten pence per kilowatt hour, and a night time rate of four or five pence per kilowatt hour – Arsenal could halve electricity bills at the Emirates via the BSS.

Third, selling services back to the grid, specifically frequency balancing. Jardine says Arsenal could “use the battery to charge and discharge at much, much shorter notice to help maintain a more stable electricity grid within the local area.

“If the frequency of the grid drops away, the battery will compensate for that. And if the frequency gets too high, the battery can charge up and soak up some of that excess power. That will help maintain the grid operation at the standard 50Hz. And that’s useful to the National Grid, which would essentially be paying for that service.”

There are also risks. The most obvious is a technical risk, of the battery degrading over time and the use case falling apart. Battery capacities are holding up over time better than was initially expected, notes Jardine, but the technology being used in this way is still very new.

The second risk relates to the frequency response service. He explains that if the market for providing this service explodes, the potential return could be significantly reduced.

“If we see a rush on and people throwing in batteries to provide frequency response, then the price might drop away. It’s really based on supply and demand for that service. I think there is a longer-term risk around the stability of the prices that you’re receiving.”

The Arsenal way

While the club and its partners declined to reveal the cost of the installation, Jardine told *SportBusiness Review* its initial cost would be between £1m (£1.1m/\$1.3m) and £2m, based on a market price for a BSS of between £500 and £1,000 per kilowatt hour.

Arsenal will install the system in two stages to minimise disruption to the club’s day-to-day activity. The initial installation is a lithium ion BSS with a storage capacity of 2.5MWh, which will be increased to 3.7MWh in the summer of 2019.

The project has been fully funded with investment from London-based investment manager Downing LLP. Third-party investment in solar energy and battery storage systems is common, as many firms regard the system as outside their core business.

Jardine: “We see most commercial institutions essentially pigeonholing their own finances for their own activities but being happy to partake in these third-party models where they don’t have to put any money in, but they do get some upside for participating in the scheme.

‘We will continue to make investments in sustainable energy solutions over the course of the next eight years prior to the Olympics, with the battery expansion very likely being one of those’

Adam Duvendeck | vice-president, operations, Dignity Health Sports Park

“I don’t think [Arsenal] fans would be massively happy on them spending £1m on a battery when they could be spending an extra £1m on a player, for example.”

He adds that using outside investment means that Arsenal are taking on less of the risk but can still get some of the rewards: “They’re not going to make millions out of this, but they’ll be getting some money and are opening up a door.”

The Emirates BSS has already secured a firm frequency response contract from the UK’s National Grid. The return will depend on the price agreed with the Grid, which is set by a competitive tender process.

Income from reselling to the National Grid will be shared between Downing LLP, Arsenal and Pivot Power, the UK firm which will operate the BSS day-to-day for the next 15 years.

Jardine says an investor – Downing LLP in Arsenal’s case – would seek “at least a 10-per-cent rate of return, maybe nearer 20 per cent, each year. Then they would share some of the upside of that

with Arsenal in exchange for hosting the battery”.

Pivot Power is using Open Energi’s Dynamic Demand 2.0 platform to manage the BSS. David Hill, commercial director at Open Energi, explains that Open Energi “automates and optimises the battery storage system in real-time”, adding:

“This involves managing when the battery charges and discharges in response to different market signals. One of these is frequency response, a service bought by the National Grid to help it manage electricity supply and demand more flexibly and ensure the smooth running of the UK’s electricity network.”

Hywel Sloman, operations director at Arsenal, tells *SportBusiness Review* that the marketing team at Arsenal is leveraging the news of the BSS installation at the Emirates to promote the club’s CSR credentials.

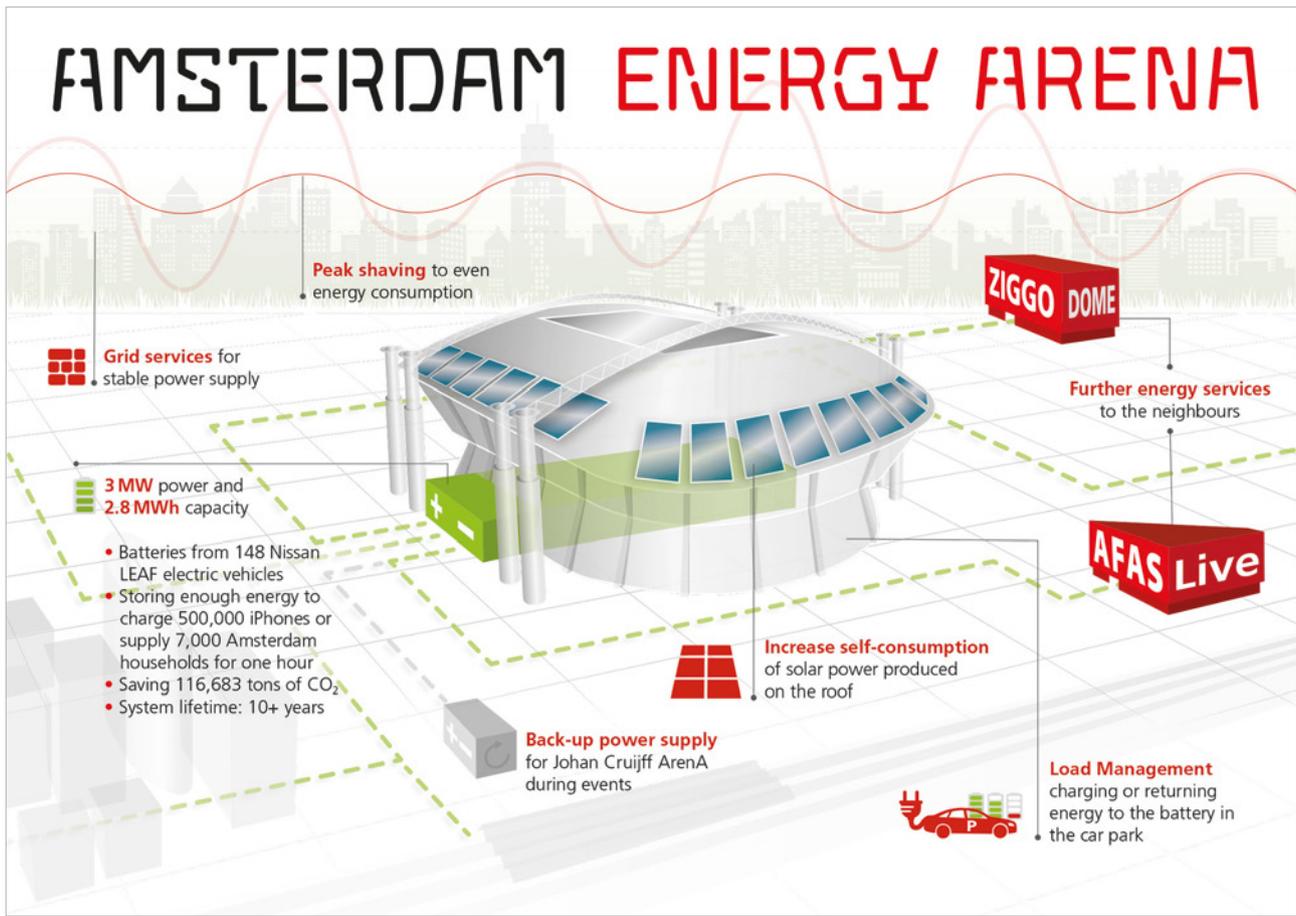
“As a club we look to share the CSR work we do with staff, supporters and other stakeholders,” he says. “We have a ‘sustainability’ section on our website... the launch of the battery features within this section of the website, and media were invited to cover the project being commissioned and going live.”

BSS fits Dignity’s sustainability agenda

Opened in 2003, Dignity Health Sports Park includes a 27,167-seat American football and soccer stadium, 8,000-seat tennis stadium, 2,000-seat facility for track and field, and 2,450-seat indoor velodrome – the VELO Sports Center – for track cycling.

The complex, which is managed by AEG Facilities, is heavily focused on green stadium operations. It was the first soccer-only MLS venue to utilise LED stadium lighting; was the first stadium in the US to irrigate with recycled water; and has a community garden and greenhouse that supplies fresh produce for team and venue staff.

It began running a BSS in January 2016, installing 20 Tesla Powerpack commercial batteries. Though smaller than Arsenal’s, the 1MWh/2MWh capacity makes it the largest energy storage system at any sports venue in the US.



How the battery storage system works at Amsterdam's Johan Cruyff Arena

Duvendeck explains that the complex works with California-based tech company Stem to maximise the battery's utility: "We have had to work towards that as we've learned to utilise the battery. Stem helps us manage the optimisation of the battery and it wasn't until we brought them into the picture that we were able to really focus on maximising the overall potential of the battery."

"They use a specific type of artificial intelligence to monitor our usage and then the battery's discharge...but it did take us some time to develop that model with them."

The park's BSS cannot match Arsenal's in providing power for a 90-minute stretch, but the system can be easily expanded and Duvendeck says it will be considered, with a view to the 2028 LA Olympics, when the venue will host five different sports.

"We aren't able to go completely off-grid for an event in its entirety, but we have been able to do that for shorter

durations," he adds. One such occasion was the hour-long press conference it hosted in May 2017 in the lead-up to the vote for the LA 2024 Olympics [now LA 2028] to promote the city and venue's sustainability efforts.

Batteries for everyone?

Jardine claims that, for Arsenal, "most of the economic benefits from this scheme will be coming from providing services back to the National Grid" but notes that in order to do so market rules state that a BSS must have at least 1MWh of capacity – a size of battery that he says would be feasible only for sports stadia with a capacity of at least 30,000.

"As the markets are set up today it wouldn't be something that could roll down to the smaller clubs," he says. "If we see changes in policy and the markets for providing grid services come down in scale, then that would open up the opportunity for smaller operations to do this as well."

Pivot Power chief executive Matt Allen says that the "economics of energy storage stack up, so batteries are a no brainer for any high energy consumer".

Major US stadia have told *SportBusiness Review* they are also considering installing a system. This includes the Mercedes-Benz Stadium – a leader in sustainability that plays home to the NFL's Atlanta Falcons and MLS side Atlanta United – and the Milwaukee Bucks' Fiserv Forum.

Scott Jenkins, general manager of the Mercedes-Benz Stadium, tells *SportBusiness Review*: "We're exploring this idea and we've been talking to a company that could install a BSS at the Mercedes-Benz Stadium."

"We applaud Arsenal for installing the BSS at its stadium. The sports industry is in an interesting space to lead and demonstrate business opportunities in this area and help address climate change. It also tells a strong CSR story." 



BUNDESLIGA

Bundesliga's Asian Growth Driven by Local Strategy



Bundesliga legend Lothar Matthäus visits the BVB Football school in Mumbai last year (Reinaldo Coddou H./Bundesliga/DFL via Getty Images)

All too often marketing slogans or straplines are simply clusters of words, empty of any real meaning. So hats-off to whoever authored the Bundesliga's catchphrase 'Football As It's Meant To Be' – a simple yet precise articulation of the values of Germany's elite football league, which serves as a statement of authenticity designed to set it apart from its rivals in the battle for hearts, minds, eyeballs and, ultimately, spending power of sports fans around the world.

Their mantra is evidenced across all areas of their strategy, using the league's greatest assets to engage followers across the world as it competes to become the number one football league internationally. And with recent figures published showing an increase of cumulative revenues for the Bundesliga and Bundesliga 2 for the 14th year in a row, with a record total revenue of

€4.42bn (\$5.01bn) for the 2017-18 season, it appears that it's delivering results.

The importance of football in German society and culture is reflected in both the attendance at the Bundesliga's world-class stadiums – consistently the highest average globally – and the passion of the crowds, which does so much to define both the live experience and the television product.

Add to that some of the world's greatest football stars on the field, including hot prospects and established players from over 50 countries, low ticket prices, the intensity of the local and regional derbies sprinkled across the season, plus the fact the Bundesliga has had Europe's highest goals per game average in 25 of the last 26 seasons, then you have the essence of the Bundesliga.

Those are just some of the ingredients which Bundesliga International use to market the league. Established in 2017 as a subsidiary

of the Deutsche Fußball Liga (DFL), their primary focus is on international business, servicing over 80 national and international contractual partners.

Growth

The organisation's approach goes well beyond selling media rights. By building the brand of the league, Bundesliga International is driving the value of their product.

To do this, over the past 12 months, Bundesliga International has been building a team of experts to provide a holistic approach to its service provision. One of the first departments established within the company was a Business Intelligence Unit. Its role is crucial in terms of the information relayed to those who develop territorial strategies.

One of the most obvious outcomes is the establishment of a network of offices across the world, most recently their

Americas office, which opened in New York in 2018.

Asia is another area identified as having an incredible hunger for German football, both commercially and through fan engagement. This has been fuelled by a special affinity with fans thanks, in part, to over 70 Asians who have played in the Bundesliga over the years, more than any other European league.

Evidence of the Bundesliga's growth in Asia is highlighted by the fact that the number of fans following the league's own Facebook, Instagram and YouTube channels has increased 250 per cent over the past year.

Over 3.5 million fans from Asia (excluding China) follow the league on Facebook alone – which is 45 per cent of the league's total Facebook fans. This includes over a million fans from India, the second highest representation from any country. In addition, over 2.6 million people follow the Bundesliga on China's Sina Weibo.

Such factors prompted Bundesliga International to increase its presence across the region. Having opened its Singapore office in 2012, Bundesliga International signed a strategic partnership with IMG Reliance in India last November. Then, earlier this year, it was confirmed that its China office would open in Beijing this coming March.

Whilst Bundesliga International's headquarters in Frankfurt remains responsible for creating its global strategy, the value of local knowledge and execution provided by their local offices is paramount to the league's success.

Unique Setup

The structure of the entire DFL Group allows the league to deliver content in a customised manner. As the world's only professional football league to own the entire production of its output from beginning to end, it is in essence its very own media house.

Throughout the year, Sportcast provides the live signal from every single Bundesliga match to 211

territories, whilst DFL Digital Sports combines match day activities with cutting edge digital content and products for the fans around the globe.

By controlling every single production from A to Z, the Bundesliga delivers a unique product to its partners, quickly and flexibly. It is a package that, in conjunction with Bundesliga International's global focus, gives the league the capacity to fully control its message and events from start to finish.

Going Local

This is a strategy that is paying dividends in Asia, particularly China, as Bundesliga International chief executive Robert Klein explains ahead of their office opening: "Whilst being on the ground in China is a key milestone, by owning our full value chain we are able to offer our Chinese fans what they want, on the platforms they want and in the formats they want."

China is a complex nation which many of the world's top sports leagues are trying to break into. The Bundesliga however has several advantages over its competitors.

"China's a huge economy and a big sports market. Our decision to open an office there also reflects the relationship between German and Chinese football at

the political level," explains Klein. That follows a knowledge sharing agreement in 2016 by German Chancellor Angela Merkel, China's President Xi Jinping and footballing authorities from both nations.

Klein continues: "The Bundesliga is in a good position in China – we had been available on free-to-air, TV nationwide on CCTV for 23 years. We're delighted to have entered into a partnership with PPTV - in this digital era. Chinese fans now have access to every game from the Bundesliga, providing them with outstanding live and supplementary content each week."

An indication of how the market is being approached in China is reflected in the appointment of Patrick Stueber, currently senior audiovisual rights manager at Bundesliga International, as head of their Beijing office.

The league's digital success is an asset that the Bundesliga intends to build on having dominated this landscape in China for a number of years thanks to a concerted focus on Chinese platforms.

"Football As It's Meant To Be' was the most used football hashtag in China last year, shared over 20 million times more than the Premier League's strapline. We want to build on our solid digital footprint and maintain a strong presence," says Klein.



Former Germany goalkeeper Oliver Kahn at a charity fund raiser in Tokyo last December (Atsushi Tomura/Bundesliga/DFL via Getty Images)



BUNDESLIGA

The success of its strategy is evidenced further by the Bundesliga's achievements in the Mailman Red Card Awards, where it was voted China's most popular foreign league across social media between 2014-2018.

The digital focus has been boosted by the launch of the Bundesliga's platform on one of China's fastest growing online networks – Jinri Toutiao. Of this, Klein says: "By being on the ground, we will be able to keep track of digital trends, which will help strengthen Bundesliga's position as football's online market leader in China. Our focus on creating localised content has helped forge a strong rapport with Chinese fans."

The potential for growth in China has already been recognised by some of the Bundesliga's leading clubs, with Borussia Dortmund, FC Bayern München, Borussia Mönchengladbach, Eintracht Frankfurt, Schalke 04 and VfL Wolfsburg establishing offices there.

India

Many clubs are also capitalising on the development of football in another

Asian sleeping giant – India. Like in China, understanding fans is central to partnership activity there.

"There are hotbeds of football in the south of India, in Kerala and Goa, and in the north-east. The scale of the country and the regional differences means that working with a local partner is most effective.

"By teaming up with IMG Reliance, they give us the knowledge and the team on the ground we need to deliver a programme of grassroots activities, CSR and digital content creation to support the televised match content."

In addition to its innovative and highly effective digital output, the Bundesliga has another valuable asset it regularly calls upon to help build traction across Asia.

The success of the German national team has made global superstars of legendary players including 1990 World Cup winner Lothar Matthäus, who made a highly successful visit to India last December.

As part of a Bundesliga Legends Tour he not only created significant

media attention and connected directly with fans through events like viewing parties, but through his presence at a number of Indian Super League matches highlighted the Bundesliga's support of local football and the development of domestic talent.

"We want to be part of the growth of football globally and to provide the fans with the best ways of experiencing the Bundesliga. The way we do that will differ according to individual markets.

"In India, for example, it is likely that, in a few years' time, fans will expect a customised service and our digital strategy is developing to allow us to meet that anticipated demand."

Whilst Germany's top flight league is fully aware of the challenges faced by an increasingly competitive international market, 'Football As It's Meant To Be' sets out the Bundesliga's claim to be the real deal.

Through their localised strategies, evidence suggests that the way they are going about their business will ensure they remain one of football's global leaders for many years to come. [O](#)



Makoto Hasebe of Eintracht Frankfurt (Jeroen Meuwesen/Soccrates/Getty Images)

FACT FILE: THE BUNDESLIGA IN ASIA

- There are currently nine Asian stars playing in the Bundesliga, more than any other top European league, plus another 12 playing in Bundesliga 2
- Eleven German-based players played in the recent AFC Asian Cup – more than any other top European league
- Across Asia, more than 300 marketing activities and events are planned for 2018/19 by the Bundesliga and its clubs
- The Bundesliga has recently run digital campaigns in Japan with Yuya Osako and Thailand with Witthaya Laohakul, which have reached over 12 million people in the region

Premier League clubs find the value in community service

Community programmes now appear to be more common among clubs than ever before

Engagement, rather than return on investment, often drives initiatives to connect with the public

Everton, Watford and West Ham among Premier League clubs with strong existing CSR schemes



(Everton FC)

Rory Squires

Sports clubs are often accused of taking their local fans for granted as they focus their attentions on commercial opportunities further afield.

On the evidence of recent years though, such criticism is broadly unjustified. Community programmes and corporate social responsibility initiatives are now so common that clubs who have failed to nurture close relationships with their grassroots followers are more conspicuous than those who have.

However, in a sector in which off-field positive news stories can seem sparse at the best of times, innovative

schemes can still ripple into the mainstream media; and two recent examples since the turn of the year in English football prove the point.

Firstly, Premier League club Crystal Palace announced it would offer part of its Selhurst Park stadium as an emergency shelter for up to 10 rough sleepers per night as freezing temperatures hit. Just days later, 32 clubs from the Premier League and the Football League signed up to the Twinning Project, to deliver coaching, stewarding and lifestyle skills to help newly-released prisoners find paid employment.

With schemes like these – unlike pure fan engagement programmes – a direct return on investment is not the

motivation. Community programmes arguably occupy a unique column on the balance sheet of clubs that otherwise meticulously structure their business models to maximise value at every opportunity.

Although a commercial return on investment is not the primary focus for successful schemes, organisations are well-placed to benefit from the glow of a successful CSR programme, enhancing their reputation to customers, stakeholders, employees and partners.

“The community aspect is something that has become increasingly important for sponsors to identify in a partner in recent years,” says Joel Seymour-Hyde, the head of



(Getty Images)

Octagon UK. Sometimes a sponsor wants to work with a property to amplify its own community scheme or chosen charity, whereas on other occasions, the opportunity to support a club's programme is an appealing factor. Alternatively, initiatives can be jointly conceived by the property and the commercial partner.

For example, in 2011, England's Football Association teamed up with confectionary giant Mars to launch the Just Play! initiative, establishing hundreds of centres across the country to encourage adults to play football. By 2017, the scheme had surpassed one million participants.

Brands like Mars – seeing that they can be part of the solution to obesity levels rather than merely a cause of the problem – have a strong incentive to involve clear active lifestyle components in their sponsorships.

The reputational factor, enhanced by a successful community scheme, can be beneficial for everyone involved in a partnership.

West Ham United, Everton and Watford are just three English Premier League clubs that have extensive community engagement programmes in place.

“These programmes will fundamentally change the lives of people, whether it's providing a mentor to a younger member of the community...or tackling loneliness”

Joseph Lyons | chief executive, West Ham United Foundation

Case Study 1: West Ham United

As brands in their own right, players are beginning to recognise the benefits of being involved, and building engagement initiatives around first-team stars is a trend being replicated across the sporting world. Players are very much at the heart of West Ham United's new community initiative, which was launched in November.

Speaking at the launch of the Players' Project, the Premier League club's captain, Mark Noble, said: “As players, we are all aware of our role as ambassadors, representing not only the football club but the community that surrounds us, and it is important that we continue to strengthen that bond.”

The project is described by West Ham United Foundation chief executive Joseph Lyons as “the most ambitious and integrated community programme ever created by a Premier League club” and comes on top of investing almost £13m (€15m/\$17m) across local education, health and social mobility projects since 2013.

“The Players' Project was set up to further expand the club's reach whilst at the same time creating deeper provision with our more deprived communities,” Lyons says. “First-team players from both the men and women's teams are now ambassadors for an area of community work. “They will work on projects that are important to them personally, as part of our commitment to creating opportunities, delivering a sporting legacy and changing lives in the community.”

The aim is to provide support and opportunities to as many as 100,000 people over the next three years. The club's home borough, Newham, has the lowest percentage of physically active adults in the country.

“These programmes will fundamentally change the lives of people, whether it's providing a mentor to a younger member of the community; helping to break down barriers that local East Londoners face when looking for employment; or tackling loneliness by simple acts like having a cup of coffee with someone who just wants some company,” Lyons adds.

So far, the project has brought first-team stars into direct contact with the public on several occasions, including at a gathering for the club's 'Any Old Irons' fans group, which tackles loneliness for the elderly; at a Christmas dinner event helping families with young children who are facing extreme challenges; and at a children's hospice.

Case Study 2: Everton

Some 230 miles northwest of West Ham's Newham home, Everton has been entrenched in the community of its home city, Liverpool, since the late 1870s. On a scale of deprivation, Liverpool has more neighbourhoods that rank in the bottom percentile than

any other city in the country, according to the UK government's latest figures.

Everton's role in tackling societal issues that stretch back generations has received widespread acclaim.

Thirty-one years ago, Everton in the Community was established to deliver coaching sessions in local schools, before expanding to develop activities for the disabled and under-privileged.

In 2003, the programme was granted charitable status, providing access to external funding, and then the arrival of Denise Barrett-Baxendale to lead the scheme in 2010 heralded a transformation.

Everton in the Community now runs more than 40 initiatives, covering a range of issues including health, employability, anti-social behaviour, crime, education, dementia, poverty, youth engagement, youth justice and disability. The charity engages more than 20,000 people every year and has 125 dedicated full-time staff.

In mental health, the charity has been pioneering, with its Imagine Your Goals initiative – the first of its kind in the country when it launched 12 years ago – becoming a blueprint for the

Premier League and other clubs.

The charity has also collaborated with Edge Hill University to develop Tackling the Blues, a sport-based

“We capture lots of data from every programme to make sure we can evidence the impact we are having, as well as recording attendance.”

Richard Kenyon | chief executive, Everton in the Community

programme aimed at children and young people.

Everton also became the first football club in the country to be awarded government funding to open a Free School, which now supports up to 200 pupils per year.

The importance of the charity is instilled in fans and players alike from an early age. Members of Everton's under-23 squad were active participants in the launch of the Home Is Where The Heart Is campaign to buy

and operate a house that gives young people who have fallen on hard times a place to stay.

In a survey, 97 per cent of supporters said that Everton in the Community's work “is important to them and makes them feel proud of their club”, according to the charity's chief executive, Richard Kenyon.

“We capture lots of data from every programme to make sure we can evidence the impact we are having, as well as recording attendance from every single one of our sessions,” Kenyon says.

“We also work with the commissioners of our programmes on evidencing outcomes. For instance, we will work with the police to track how we contribute to crime prevention in the area.”

Where such figures are available, it is easy to see the justification for schemes that make a genuine difference. For example, Everton in the Community's Safe Hands programme, which was launched in 2012 and is now funded by Premier League contributions, has achieved an 80-per-cent non-reoffending rate among



(Barrington Coombs/Getty Images for Premier League)



Watford goalkeeper Heurelho Gomes with a young fan (C1Photography)

young participants in comparison with the 27-per-cent national average.

Everton's commercial partners also support numerous initiatives, and the club is currently talking to a number of its sponsors about becoming founding partners of The People's Place, a facility dedicated to mental health that the charity is planning to build near its Goodison Park stadium.

"Through the programmes we run, we can also provide support to our partners by providing things like mental health awareness training for their staff, so it's a partnership rather than just a sponsorship," Kenyon adds.

Case Study 3: Watford

Like Everton, the vision for fellow Premier League club Watford's Community Sports and Education Trust was established in the 1980s before significant expansion in recent times.

"There has been a staggering development over the years, from a community programme that had one member of staff delivering football sessions, to a charity that employs over

50 full- and part-time staff members," says the trust's community director, Rob Smith.

"If an individual has a positive experience with us as a brand, whether that's through the trust or club, then they are more likely to continue their engagement. So, first and foremost it makes ethical sense, but by doing the right thing, you are of course going to benefit from outcomes surrounding identity and loyalty."

The trust focuses on four key themes – skills and learning; health and wellbeing; football and sports development; and social inclusion – and has expanded to operate two community facilities in Watford and nearby Harrow after securing £7m in funding. Anti-social behaviour fell by 37 per cent in the locality of one of the centres within a year of its opening.

Other successes have included the Bringing Education and Sport Together programme, which was created by the trust in partnership with Ferrero. The programme has been adopted by the English Football League and delivered

across the country under the chocolate producer's Kinder +Sport Move and Learn Project.

The trust has also collaborated with Camelot on the Watford Works employability initiative and Hilton Hotels on volunteering and skill development. Meanwhile, the trust's Shape Up campaign has engaged more than 1,000 men, who have collectively shed 6.1 tonnes in weight.

The trust produces an annual impact report that is distributed to season ticket-holders and club stakeholders.

"We are increasingly looking at new and innovative ways of showcasing the true positive difference we are making," Smith says.

"Technological advancements in monitoring and evaluation tools have of course helped, with the recording of hard outcomes such as weight loss or softer outcomes such as an increase in self-esteem through surveyed responses. However, quite often, whilst statistics have a place, personal stories can be just as effective; sometimes even more so." ○



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Eastern promise for LaLiga

LaLiga's strategy in Asia has been generating some startling results in digital media, grassroots development, events and communication, with the assistance of the Spanish football body's expanding Global Network.



Under the leadership of Javier Tebas, LaLiga's increasingly international outlook has established significant pockets of passionate support in relatively untapped markets around the world.

However, it is in Asia where Spanish football's most influential organisation has produced some truly spectacular results in recent times.

Three years ago, LaLiga jettisoned its tradition of offering the biggest matches of the weekend late on Saturday and Sunday evenings – and therefore forcing fans in Asia to stay awake into the early hours to watch the live action – by starting to schedule selected matches in lunchtime kick-off slots.

From the 2015-16 season through to 2017-18, television audiences for LaLiga

increased by 11 per cent in Europe, 22 per cent in North America, 34 per cent in Central and South America and 48 per cent in Africa and the Middle East. In the Asia-Pacific region, though, the figure rocketed from 225 million to 383 million – a rise of 70 per cent, whilst the value of LaLiga's international broadcast rights in the region also increased by 30 per cent.

However, audiences can only ever represent a snapshot of progress, which is why LaLiga has been keen to put down the foundations required to ensure the appetite for Spanish football continues to grow across Asia for many years to come.

Global Network

At the heart of the league's international

strategy is the LaLiga Global Network, which was established in early 2017, giving young professionals the chance to represent Spanish football's most famous property around the world.

The project, spearheaded by Tebas and supported by commercial partners like Santander, has led to dozens of representatives worldwide to champion LaLiga's overseas expansion, boost the value of its international media rights, increase its fan base and generate business opportunities.

LaLiga's staff within the Global Network also oversee the creation of tailored content for each market and provide local assistance to media and marketing partners, as well as institutional support through strategic alliances with leagues, federations and

associations worldwide.

“The LaLiga Global Network has been a very ambitious project,” LaLiga’s international development director, Óscar Mayo Pardo, says. “We have a presence in 45 different markets including more than 12 countries in Asia alone, including Singapore, India and China. Through the Global Network, we work closely with clubs and our representatives to ensure we have a global outlook, but with a local vision in each market.

“Four or five years ago, the aim was to become more and more competitive and grow significantly in regions around the world, using the fact that we have the best clubs and players in Spain as a platform for expansion. There was always a really good opportunity in Asia, especially as it was traditionally not a market that we had focused on in the past.

“The first major change was with the kick-off times, as we understood that if we changed the match slots to be closer to the Asia time zone, then there would be an opportunity to grow. The second

major change was to understand each market in Asia and provide tailored content on a country-by-country basis.”

Innovation

Underpinning the ongoing strategy for Asia are the strands of digital strategy, grassroots development, events and communication – and in all four areas, LaLiga is offering innovation.

In the area of communication, LaLiga’s Madrid headquarters offers a content hub for its clubs, helping to find press-friendly stories and then using copywriting, video and design capabilities to turn these into materials that are ready for wider consumption.

“We are working to create a content hub to distribute materials that can be used in different markets,” Mayo says. “The hub includes different types of content, including editorial, video, interviews, media snippets, analysis and more.”

LaLiga produces materials in 19 languages, including Chinese, Arabic, Japanese, Hinglish, Hindi, Bengali, Thai, Indonesian and Malaysian.

“We’ve secured lots of high-impact media coverage across Asia using this approach,” Mayo says. “Some of the materials are produced in-house and others are created in collaboration with our production partners at Mediapro. It is very important to create different materials and approaches for the various markets as consumers in China, for example, have completely different habits to people in Malaysia.”

Digital cut-through

In a similar vein, in digital media, LaLiga has achieved significant cut-through with a tailored approach to different markets across the vast continent.

At the centre of this, OTT platforms are providing vital tools for engaging with fans in the continent’s two largest markets – India and China.

Under a three-season deal that began at the start of the current campaign, Facebook will offer live coverage of all 380 top-flight matches per season in the Indian subcontinent. The coverage is available for free on Facebook in Afghanistan, Bangladesh, Bhutan, India,





Nepal, Maldives, Sri Lanka and Pakistan.

Separately, the league is showing matches from its second-tier competition, LaLiga 1|2|3, via YouTube, covering markets like Hong Kong, Japan, India, Korea and Thailand.

“This approach allows us to reach a huge new audience, as part of our work to embrace new media platforms and diversify our offering,” Mayo adds.

Supplementing the more accessible coverage across Asia is an expanding social media presence that is helping to penetrate individual markets.

LaLiga has more than 40 million followers across Asia-dedicated social media platforms, with new channels sprouting up on a regular basis, including a recently-launched Japanese Twitter account, as well as WeChat, Weibo, Toutiao and Douyin in China. Across those five accounts alone, LaLiga has more than 1.9 million followers.

“This is just the beginning for LaLiga’s digital plans,” Mayo says. “We have set up structure now and the team is working hard, so we will see how it develops over the next three, four and five years, but the experiences we have had with Facebook and YouTube are amazing.”

Special experiences

LaLiga’s events strategy in Asia supports its attempts to create special experiences for fans in specific markets.

In October 2018 the league’s ‘watch parties’ around FC Barcelona v Real Madrid, known as El Clásico, drew huge crowds to specially-organised gatherings for public viewings from Shanghai to Kolkata.

Among the highlights of the 13 global events staged by LaLiga were a screening for 7,000 fans in Jakarta and Surabaya, a gathering for 25,000 fans in Kolkata, and an event in Tashkent, Uzbekistan, that attracted 35,000 people.

To add to the unique experience for attendees, former football stars and LaLiga representatives attended the screening events, helping to ramp up excitement amongst the fans.

“In total, we hosted more than 160 events around the world – across 60 countries – last year. This year there will be more public events, including watch parties,” Mayo says. “Each event is different for the local market and we always try to bring the fans as close to the experience as possible, with the help of the clubs and our sponsors. There have been some really fantastic experiences, so we are looking forward to building on our plans this year.”

Support

LaLiga’s commercial partners play a vital role in supporting the league’s international ambitions.

“We are always looking to become more global and obviously we have big brands on board who want to expand their business in Asia as well,” Mayo adds. “In terms of delivering the events, it is a true combination between ourselves, our partners and our clubs. We also have some local partners in specific markets such as Thailand, Malaysia and India who work with us on maximising the impact.

“Having that sort of local knowledge really helps – and that is the case for every market. In China, for example, the most important thing is to work with local institutions to help them to

grow the sport in the country.

“We have excellent relationships with the Minister of Education in China, as well as the football organisations in the country, including the Chinese Super League and Chinese Football Association. Through these links, LaLiga focuses on supporting the development of academies and ultimately football players in China.”

Clubs outside the perpetual title-contenders are benefiting from LaLiga’s closer links with influential organisations in China, with the long-term prospect of some of the country’s top stars finding a natural home in Spain in the years to come.

Espanyol forward Wu Lei reportedly attracted an audience of 40 million viewers for his recent full debut against Valencia after switching to LaLiga in the winter transfer window. The club, which already has an academy in Guangzhou, will release special edition shirts featuring Wu’s name in Chinese.

“This is a huge opportunity for Espanyol, but it is for other clubs as well,” Mayo says. “When Chinese players break into the first team, that will give Chinese fans a chance to see their heroes in action, and that can only be a positive for the development of the sport in the country.





(LaLiga)

“To offer a comparison, the popularity of Formula One in Spain rapidly increased when Fernando Alonso started racing, and it was the same with the NBA and Pau Gasol. With more great Chinese players in LaLiga, the popularity of the league will continue to increase and I have no doubt that if the people who are working hard to improve training and playing standards in China continue on the same path, the country will be one of the top five football nations in the world before long.”

Grassroots

In December, as part of a strategic collaboration between LaLiga and the Chinese Football Association, a new Madrid facility was opened to serve as the first CFA training base in Spain. Chinese men’s and women’s teams will follow LaLiga training, academic and cultural methods at the centre.

Then in January, representatives from 16 Chinese Super League clubs visited Madrid for a four-day programme focused on best practice and building new collaborative projects in areas such as training, security, infrastructure, technology and grassroots development.

LaLiga already had close ties with China stretching back to 2015. Alongside

the Chinese Ministry of Education, LaLiga has trained more than 160 coaches over the past three-and-a-half years.

As part of an exchange programme, this season alone, 38 coaches will spend 10 months in China to develop their training programme, while there are hopes that future summer campuses will focus on identifying more talented footballers.

Aside from China, LaLiga has also established academies in Indonesia, while a LaLiga Football Schools project is held in India. In Thailand, the country’s federation and youth league has entrusted LaLiga with developing high-performance training schemes for its national under-16 team and associated coaches.

Collaborative effort

From development on the pitch to commercial and administrative acumen off it, LaLiga’s involvement in Asia is broad.

India was the focus for a historic two-day event held in November, which was attended by 18 of the 20 LaLiga club presidents and general managers. The attendance by the clubs was seen as vital for LaLiga to help build stronger

relations with government officials, sponsors and clubs in India, and build a full understanding of how the two entities can work together.

Meanwhile, in Malaysia, LaLiga last year signed a Memorandum of Understanding with the organisation that oversees football in the country, with a three-year working partnership allowing the Spanish league to share its experiences in the fields of finance, technology and good governance.

With 383 million Asian television viewers in the 2017-18 season, from a region that is home to more than four billion people, LaLiga’s audience in Asia-Pacific still has room for considerable growth.

With upwards of €2m invested in its Asia expansion strategy every year, not to mention the significant resources that are ploughed into the continent, and strategic partnerships that have been crafted to enhance the league’s brand, the sky is the limit for LaLiga in the most populous continent on the planet.

“We will continue to work on a number of initiatives,” Mayo says. “This will include pre-season plans, and we will soon be able to announce more exciting developments.” ○

Liverpool's 'global marketing platform' builds foundation for record profit

Commercial revenues doubled during Billy Hogan's tenure as chief commercial officer

Liverpool focused on diversifying revenue streams through stadium, retail and partnerships

Club willing to use superstar players above the norm to add value to partnerships

Adam Nelson

Liverpool FC's world-record £125m (€143m/\$162m) profit is a consequence of the club's ongoing efforts to diversify and deepen its revenue streams, says chief commercial officer Billy Hogan.

Pre-tax profit of £125m for the financial year 2017-18 exceeded the previous high watermark – set by Premier League rivals Leicester City in 2016 – by over £30m, but also more than doubled the club's own previous record.

Unsurprisingly, Liverpool's run to the final of the Uefa Champions League accounted for a significant proportion of the year-on-year growth. Having not played in European competition at all in the previous season, media revenues grew by £66m, to £220m, contributing close to half of overall turnover.

Furthermore, high-profile player sales made a major contribution, particularly the £140m transfer of Philippe Coutinho to FC Barcelona.

Hogan is keen to argue, however, that the club's success cannot be entirely explained by these two factors. Other teams have reached the Champions League final and reaped transfer windfalls; not all have posted such profits. For Hogan and Fenway Sports Group, the American investment company that bought Liverpool in 2010, there is a belief that the team's current position at the summit of the Premier League and the financial success of 2018 are both consequences of the commercial strategy of diversification pursued over the past eight years. This is not a one-off: Liverpool has now posted a profit in four of the last five years since 2014, something it failed to do at all in the five years previous to that period.



Billy Hogan became chief commercial officer at Liverpool in 2012 (*Liverpool*)

“When FSG bought the club, it took over an operation that, at that point, really wasn't about building a sustainable business,” Hogan says. “Over the course of the last eight years now, we've been focused on maximising the potential of this football club on the global stage. You've seen progressive growth year after year, and that's obviously translated into on-pitch success as well.”

The focus on better monetising Anfield Stadium is a perfect example of how the club has looked to increase both the breadth and depth of its revenue streams. FSG moved quickly after buying the club to expand the stadium, adding 8,500 seats to take capacity to a total of 55,000, with further expansion planned.

Matchday income reached £81m in 2018, up £38m since FSG bought the club and second only to Manchester United and Arsenal in the Premier League in the 2017-18 season.

Last year, the club confirmed it had received permission from Liverpool council to host additional sporting events, including rugby and boxing, as well as three music concerts over the summer. “The strategy is around finding new ways to bring in revenue, 100 per cent,” says Hogan. “We play 30 or 35 games at home a season, and the rest of the time the stadium isn't being used. It's an incredible building and we want to open the doors for more people to experience that.”

He has also placed a major focus on

capitalising on the team’s current high-profile on the pitch to create a “virtuous circle” to better exploit existing revenue streams like merchandising and sponsorship.

Global brand platform

Commercial revenues – incorporating both retail and sponsorship – reached a record high of £154m in 2018. That figure is almost exactly double the £77.5m posted for the 2011-12 season, the year prior to Hogan’s installation as chief commercial officer.

“What we changed was to really recognise the potential of Liverpool FC as a global marketing platform,” he says. “We have a truly global fanbase, we provide a tremendous opportunity for global brands to generate global exposure. But we needed to provide that platform 24/7, 365 days a year, not just on matchdays and over the course of the season.”

Simply being a top-end Premier League football team in 2019 does some of that work, Hogan says, providing year-round, worldwide visibility. “If you consider it from the standpoint of a marketing platform, the Premier League starts in August and ends in May, but even during that summer time, where traditionally in the sports calendar you are in your off-season break and

it might go dark, we have our touring business and our preseason business as well as the transfer window which keeps football – and Liverpool FC – at the top of the news list.”

In overhauling the commercial strategy, Hogan looked at the areas in which Liverpool could differentiate itself from its Premier League rivals and eke out extra value from its partnerships.

“We play 30 or 35 games, and the rest of the time the stadium isn’t being used. We want to open the doors for more people to experience [it].”

Billy Hogan | chief commercial officer, Liverpool

The club’s popularity around the world was a starting point, he says: last year, a study for English sportswear retailer JD Sports showed that Liverpool was the most-searched for club in world football in Indonesia, Laos, Norway, Egypt and Ireland, while among English clubs they are the most popular across much of Asia and Africa.

One of the greatest strengths

developed since Hogan arrived at the club, he says, is the “ability to customise the relationship if our partners are not necessarily a global business but focused on a particular region or part of the world”. Tailoring the assets a partner receives to suit the requirements of its audience has been made considerably easier by the emergence of digital media, with the club able to more specifically target content to relevant audiences through its various accounts. It has also allowed the club to create new inventory, particularly important as physical assets – including the shirt, sleeve, training kit and in-stadium LED hoardings – are close to saturation.

In the period covered by the 2017-18 accounts, Liverpool signed eight new corporate partners, as well as renewing with four existing sponsors, which saw an 18-per-cent boost to commercial revenues. Regional deals with Alcatel in New Zealand and Australia, AlexBank in Egypt and Petro-Canada Lubricants in Canada are exemplary of how Liverpool has built a platform that can be tailored for brands to target particular territories. All involved the creation of new sponsorship categories for the club, opening new revenue streams.

“When you consider certain categories, it might not seem like there’s an exact fit with football or with sports,”

LIVERPOOL’S COMMERCIAL AND MATCHDAY REVENUE GROWTH UNDER FSG



Source: Liverpool FC



(John Powell/Liverpool FC via Getty Images)

says Hogan. “But when you start to think about what every organisation is trying to do, it is to try and influence fans’ behaviour. We have an incredibly passionate and global fanbase that we can direct towards our partners. Some of the partnerships we’re most proud of are those that don’t quite seem to fit but which we make work.”

An ‘Official Coconut Water’ deal with Thai brand Chaokoh and the club’s ‘Official Cyber Security’ relationship with NordVPN are among the distinctive categories Liverpool has created.

The club also renewed its main partnership with banking firm Standard Chartered, bringing £40m annually into the club until 2023.

“We’re always incredibly proud to renew with any of our partners, and we’re always focused on longer-term relationships, because that’s been our history,” Hogan says.

“When you look back to somebody like Carlsberg who’s been a partner of the club for 26 years, I don’t believe there’s another partner of a club that’s anywhere close to that in terms of length. Probably one of the best barometers of success in partnerships is when you have long-term relationships, because that means people are coming back.”

Ninety per cent of Standard Chartered’s profits come from Asia,

Africa and the Middle East, and the majority of its marketing efforts are focused on those territories.

“We offer them global reach, but we also offer them localised, targeted activations as well. For Standard Chartered to have renewed again [it is the second time since joining in 2009 that the bank has signed improved terms with Liverpool] really shows us that what we’re doing is working.”

Further evidence is the signing of insurance firm Axa as an Official Partner last year, on a £2m-a-season, four-year contract. Liverpool beat their top-of-the-table rivals Manchester City to the deal – something that would have appeared unthinkable just a few seasons earlier.

Player power

The talk of creating a “virtuous circle” between on- and off-pitch performance is not hollow. Liverpool invested a record £190m in playing staff during the period in question, in an effort to ensure the on-pitch success of 2017-18 was not a one-off. Future successes, as well as the presence of high-profile, global superstar players, then continue to drive the cycle.

“We feel really positive about the investment that has been made over the course of the last several seasons,” Hogan says. “With players like Mo Salah,

Sadio Mané, Roberto Firmino, Virgil van Dijk and Alisson [Becker], you now have these global superstars that are playing for the club, which is maybe a different position than we were in a couple of years ago.

“Hopefully what follows from that is a boost elsewhere: in our merchandising, because people want to wear these players’ names on their shirts, and in sponsorship, because our partners want to work with superstar names.”

Liverpool adds significant value to deals by offering its sponsors greater access to players than most of its rivals and is maximising its ability to cash-in on intellectual property – for example, it retains the image rights of Steven Gerrard, its legendary former club captain and current manager of Scottish Premiership side Rangers, who has appeared in marketing materials for Nivea on behalf of Liverpool since his departure.

The digital content generated by the club is a cornerstone of this strategy. Liverpool numbers its cumulative social media and digital connections at over one billion, while its YouTube account is the most popular in English football and behind only Real Madrid, Barcelona and Juventus globally.

While most of that content is universal, the club “looks at each particular market as to what level of bespoke, customised content we would go to” in order to provide more value for its partners or to capitalise on the popularity of individual players in certain regions.

The incredible and somewhat unexpected popularity of Egyptian winger Mohamed Salah, for instance, was cited as a significant factor in the club partnering with property development firm Tatweer Misr, which became Liverpool’s Official Egyptian Real Estate Partner in 2018.

Indeed, the club’s trio of high-profile African players – the Senegalese Sadio Mané and Naby Keïta of Guinea alongside Salah – have led Liverpool to focus efforts on the continent, demonstrating how the footballing operation can lead the commercial one.

“We knew we already had a huge fanbase there, but between Mo, Sadio and Naby we now have three of the top

players from the continent,” Hogan says. “That’s a unique situation and something we’d probably never seen before in terms of an off-the-pitch opportunity and one we will continue to pursue.

“When we have players that have a significant following within a region or a particular part of the world, then absolutely we’ll always look at what opportunities might exist to further that connection.”

Retail in focus

Merchandising is one of the key ways in which Hogan is focused on pursuing that international growth. The club operates its own official retail outlets in Liverpool, Belfast and Dublin, and has relationships with “a range of regional distribution and retail partners around the world, operating Liverpool-branded shops-in-shops or standalone stores” in territories across the Middle East and South-East Asia.

“From our standpoint, the focus really in this area has been on expansion over the course of the last several years and that will continue going into this calendar year certainly,” says Hogan.

Across most of the world, Liverpool has taken its growing e-commerce business in-house, while it has partnered with JD Worldwide in order to provide it with a major e-commerce platform in China.

The 2017-18 season kit, celebrating the club’s 125th anniversary and returning to the darker ‘red pepper’ colour, was the most popular in Liverpool’s history. The 2018-19 shirt has already surpassed its predecessor in sales, the club claims (although it does not release precise figures and rolls retail revenue into commercial in its statements) and has frequently been sold out at the official club store due to excessive demand.

“One of the best barometers of success in partnerships is long-term relationships, because that means people are coming back.”

Billy Hogan | chief commercial officer, Liverpool

Although many of its partners are long-term, the club rarely signs deals longer than five seasons, with the majority in the three- or four-season range. The long-term deals the club does have are a result of partners signing on renewed and improved terms, rather than signing lengthy initial contracts.

The partnership with kit provider New Balance expires at the end of the 2019-20 season, and its renewal

has taken on even greater importance given Liverpool’s focus on retail and merchandising. The club believes it is realistic to target a British-record shirt deal given the popularity of the last two seasons’ shirts.

In light of this, the £45m-a-year contract New Balance signed in 2015 – as an extension to the previous arrangement signed through its subsidiary company Warrior Sports in 2012 – appears to be a bargain for the brand, as it is significantly cheaper than the kit deals of all of the club’s Premier League ‘big six’ rivals aside from Tottenham Hotspur.

Hogan feels it is well within Liverpool’s grasp to secure a contract that exceeds Manchester United’s £75m-a-year agreement with Adidas and, with a season still to run on the current New Balance deal and the team flying high both on the pitch and in its merchandising endeavours, Liverpool’s hand is strong, and Hogan is playing his cards close to his chest.

“New Balance has been a terrific partner for us and we’ve had some terrific success with them,” he says. “We’ve had very positive conversations with them about going forward, but we want to make sure that we continue to grow that part of the business – that is absolutely paramount. We’re talking with them and it’s natural that we’re talking with other parties, too.” ○



(John Lang/Liverpool FC via Getty Images)

Road to SportAccord 2019: Mental health under spotlight at HealthAccord

HealthAccord promises to offer crucial insights into topics ranging from mental health to the use of supplements and technology to support athletes during SportAccord in Gold Coast, Australia.

Under the umbrella theme of ‘The Power of Sport – The Power to Change’, HealthAccord will take place on the morning of Tuesday 7 May at the Gold Coast Convention and Exhibition Centre, a year after its successful launch at SportAccord.

The new conference sub-stream in Bangkok last year built on previous discussions on the theme at the International Federation Forum, which is also organised by SportAccord.

With growing momentum in the movement, HealthAccord is now an established part of the SportAccord programme, running alongside the week’s other conference sub-streams, such as CityAccord, LawAccord, MediaAccord and the Summit, which will explore ‘The Future of Big Data and Analytics’, amongst other topics.

Athlete focus

HealthAccord co-chair Dr. Margo Mountjoy underlines how athletes will remain the central focus of the conference, which will provide an opportunity to reflect on how the sporting world’s policies, partnerships and resources can be used more effectively.

“HealthAccord is about athletes – how to keep them healthy and performing sport at their potential,” says Mountjoy, chair of the A SOIF Medical and Scientific Consultative Group, IOC Medical and Scientific Commission – Games Group FINA Bureau. “The purpose of this year’s HealthAccord is to raise awareness of key issues in athlete



health that are currently not being addressed by sport.”

Mountjoy and HealthAccord co-chair Professor Fabio Pigozzi, president of the International Federation of Sports Medicine (FIMS) and Member of the IOC Medical and Scientific Commission – Medical and Scientific Group, will kick off the conference with opening remarks before a scene setter begins the focus on mental health.

Mountjoy then will participate in a panel session dedicated to exploring innovations in treatment and diagnosis, as well as links to activity levels, effects on performance and quality of life and, importantly, which tools international federations can use to make a difference.

She will be joined on the panel by the likes of Kathy Martin, senior director of Athlete Assistance at the Women’s Tennis Association, and Graziella Thake, chief executive and co-founder of The Optimisation Hub.

“We are delighted that athlete mental health is receiving more attention, as

this has historically been an area of athlete care that has been neglected or even ignored,” Mountjoy says. “When looking at the prevalence of mental health issues, we know that athletes are not immune to mental illness and that performance can be affected.

“We are confident that the sessions at HealthAccord will not only raise awareness, but will provide attendees with tools to help them address mental health issues in their sporting environment. Ask any successful Olympic coach – if the mental game is not sharp, the sport performance will suffer.”

With a number of high-profile cases in sport ensuring the issue of mental health has become increasingly prominent in recent years, there are encouraging signs that a greater understanding of the topic is leading to improving support methods – with platforms such as HealthAccord set to play an important role in the process in the future.

“HealthAccord will address the

prevalence of mental health issues and we will hear some athlete testimonials, whilst screening and treatment options will be reviewed,” Mountjoy adds.

“The IOC will be publishing in 2019 a Consensus Statement (review of the science) on mental health, and will develop athletes’ and coaches’ educational initiatives on mental health, as well as a mental health toolkit for sport clinicians.

“The next few years will thus see some significant advances in awareness, a decrease in stigma, and improvements in athlete screening for mental health issues, as well as for treatment.”

Future impact

The impact of technology on athlete performance and health, which has the potential to transform sport, will also come under the HealthAccord spotlight.

Erwin (Ray) Bender, director of product development, global sports medicine at GE Healthcare Technology & Medical Innovation, will look at how technology is monitoring athlete injuries and rehabilitation.

A group of experts will also look at the pros and cons of wearable sensors for athletes, IFs and manufacturers. The panel will comprise International Ski Federation (FIS) marketing director Jürg Capol; Swiss Timing’s head of client services, Laszlo Szakadati; wearable technologies chief executive Christian Stammel; and Emma Mason, head of strategic and external affairs at the World Federation of the Sporting Goods Industry.

“The field of technology is exploding with innovations for athlete health and performance,” Mountjoy says. “We will discuss the products on the market for monitoring athlete health and performance, and ways that they can help feedback vital information to coaches and sport science teams, which can then drive changes in training to maximise performance and safety. As with all change, debate is inevitable around the validity, utility and ethics of the interaction of technology in sport.”



Dr. Margo Mountjoy, HealthAccord co-chair

Areas of debate

Another area of controversy in athlete training and performance is the use of supplements. The topic is sure to spark a lively debate amongst a panel that will include Louise Burke, who has spearheaded research into sports nutrition at the Australian Institute of Sport for nearly three decades, and Professor Yannis Pitsiladis, member of the IOC Medical and Scientific

Commission and professor of Sport and Exercise Science at the University of Brighton.

“Some nutritional supplements have been proven to be efficacious in improving sport performance,” Mountjoy says. “Many have not, and indeed, they may even have a deleterious effect on athlete performance and health. They may even cause anti-doping rule violations from inadvertent contamination of the supplement with WADA prohibited substances.

“This session at HealthAccord will discuss the benefits and risks of supplements, and the role that they may – or may not – play in sport performance. The future developments in the field of nutritional supplementation should focus on ensuring product safety and consistency, as well as areas where athletes require replacement of lost nutrients from training.”

As Mountjoy adds, such as “exciting mix of the current state-of-the-art sport science and medicine geared specifically for IFs, SportAccord delegates and other stakeholders” provides an unmissable opportunity to hear from esteemed speakers about topics that are integral to the future of IFs and their sports. ○



(Lauren DeCicca/Getty Images)

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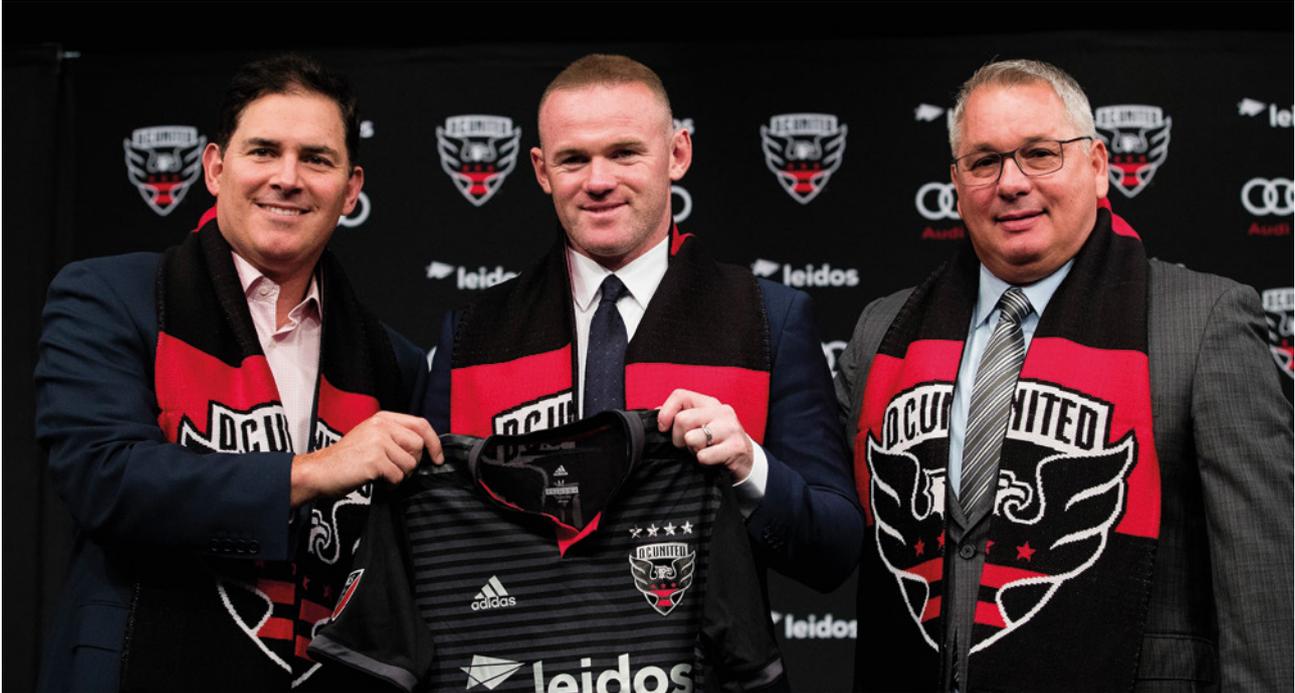
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DC United leverages twin impact of Audi Field and 'Rooney effect' into new deals

MLS team's commercial prospects given 'dramatic overhaul' by move to \$400m stadium

Mixed-use development with sportsbook planned to capitalise on sports betting legislation

Former England captain Rooney has 'put spotlight on team' and 'elevated business opportunities'



Wayne Rooney's signing is announced by DC United chief executive and managing partner Jason Levien (L) and general manager Dave Kasper (R) (Patrick McDermott/Getty Images)

Bob Williams

Once major League Soccer's most successful club, DC United regained its relevance both on and off the field last summer, with the opening of its \$400m (€351m), 20,000-seater Audi Field stadium and the arrival of ex-England star Wayne Rooney.

Now the club is reaping the rewards of both factors. "It's a dramatic overhaul. It's as big of a change as you can have on a club," says Jason Levien, DC United's chief executive and managing general owner, of the commercial transformation in the past year. "We went from a club that really needed a shot of adrenaline and we've got it.

"From a year ago to now, we're in a dramatically different world. We

can talk to corporate partners that wouldn't talk to us before – we're getting incoming outreach from them – we're getting players who may not have considered us before, we're looking at front-office staff who may not have been interested in joining us before."

In January this year, the team signed a local broadcast deal with subscription-based OTT provider FloSports, worth a reported \$13m over four years. Previous partners Comcast SportsNet Mid-Atlantic (now NBC Sports Washington) and Sinclair Broadcast Group did not pay rights fees at all, with the club sharing costs and advertising profits. Competition between several broadcasters – another first for the club – drove up the value.

According to sports website *The Athletic*, DC United has been in talks with at least six companies – including

United Airlines, Amazon and ESPN+ – for a shirt-sponsorship deal that will begin in the coming season. The club is seeking at least \$5m a year, which would be among the largest shirt-front deals in MLS, a significant rise from the \$3m-a-year partnership with government contractor Leidos which ended last year.

According to Levien, DC United has also had "multiple" inquiries about sleeve sponsorship for the 2020 season, when the new inventory will be introduced in MLS, which could be worth up to \$1m a year.

Monetising Audi Field

Having "reintroduced" itself into the local market, as Levien puts it, DC United has sought to maximise the commercial opportunities provided by Audi Field, which cost club investors \$250m and the city \$150m.



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RFK Stadium, the club's home from 1996 until 2017, offered few such opportunities. Opened in 1961, the cavernous but crumbling stadium offered a poor experience for fans – a track around the field meant supporters were far from the action, while the amenities were sub-standard – and little inventory for the club, which did not own or operate the venue, to exploit.

Levien tells *SportBusiness Review*: “It wasn't built for soccer, so when you get 10, 20, 30 rows up, you are far from the action. There were no naming-rights opportunities as it's named after an American hero [former US Senator Robert F. Kennedy] but there were also no real opportunities to have corporate hospitality. There is no premium experience for fans...there were a lot of issues at RFK that did not allow us to have an opportunity to grow the business.”

In 2017, DC United was the lowest-ranked MLS team by sponsorship income due to its inability to sell inventory at RFK. It immediately rose to ninth place last year, following the move to Audi Field.

The 12-year naming-rights deal with Audi – worth approximately \$4m a year, among the top in the league – has since

been followed by commercial deals with Coca-Cola, EagleBank and Heineken.

Other areas of the stadium complex, such as the plaza area outside the venue, will be branded this year and next.

“These are the most exciting years in the club's history in terms of the richness of opportunity to build this business.”

Jason Levien | chief executive and managing general owner, DC United

Levien believes the Audi partnership – signed in February 2017, “before we put a shovel in the ground” – inspired the interest of other companies.

“We had been talking about building a new stadium long before I arrived [as co-owner in 2012] so I think there was some reluctance from not only corporate partners but also folks in the community to get too excited because they knew what challenges lay ahead and what might happen,” says Levien. “I think once Audi jumped in, it certainly triggered other conversations and

helped other companies get comfortable very quickly with partnering with us.”

The fan experience has been significantly improved. Leading local chef José Andrés is overseeing all food and beverage concessions, in conjunction with Levy Restaurants. Other features include the Heineken Rooftop, which offers a place for fans to socialise and take in views of the city and surrounding National Park; 31 (sold out) luxury suites; club areas for premium members; and a designated supporters' section in the stands. The ability to order concessions from seats via an app is being explored.

Fans have responded. DC United averaged 20,264 supporters a match at Audi Field after moving in in July, up from the average of 17,904 at the 46,000-capacity RFK in 2017. Prices have largely remained the same in the new stadium so far, but the club reportedly enjoyed a 50-per-cent increase in season-ticket sales from 2017 to 2018. Single-game tickets have risen \$5-\$25 a seat while, in the secondary market, the average ticket price has increased from \$32 to \$65, according to Vivid Seats.

There have been some hiccups. Moments before the stadium's opening



DC United moved into Audi Field in July 2018 (Robbie Jay Barratt/Getty Images)



(Robbie Jay Barratt/Getty Images)



game against the Vancouver Whitecaps on July 14, a large metal object fell from a railing and struck sideline reporter Lindsay Simpson, who was concussed. Simpson, who is also the club's vice-president of marketing and communications, is still employed by the team and on extended medical leave.

There were also initial problems with the WiFi connection, which prevented the loading of mobile tickets and affected the press box and concessions lines.

Meanwhile, according to *The Athletic*, the club is making a seven-figure investment to black out an open area on the west side of the stadium to try to eliminate an issue of the setting sun hampering the broadcast of evening games.

Exploiting legalised sports betting in DC

The club is developing land in the surrounding Buzzard Point neighbourhood to make the complex a 365-days-a-year destination. "We're trying to make the stadium a community centre for activity and entertainment throughout the year," Levien says.

The club is in advanced discussions with at least four developers to build a mixed-use project on space next to the stadium, on which it has a 99-year lease. Plans include a sports bar and

restaurant, which notably would include a sportsbook.

Legalised sports betting is poised to be introduced in Washington DC this year and a current bill makes provisions for gaming to be allowed at Audi Field. In a special amendment, no other entity will be able to take legal sports bets within a two-block radius, giving the club some local exclusivity. Partnerships with gaming companies are also being explored.

Plans also include an esports arena – DC United recently joined MLS's esports league, eMLS – and an independent coffee house with indoor and outdoor seating.

Levien says: "We are looking to do some esports events – this is something we are taking a hard look at. Esports is a dramatically growing industry. It's an opportunity to engage our current fans and connect with some younger sports fans who don't know as much about DC United. It's an exciting opportunity for us to grow our fanbase more than anything."

According to the *Washington Post*, DC United aims to stage 50 to 75 on-field events at Audi Field each year, and approximately 200 overall, including indoor corporate events.

In August, National Women's Soccer League team the Washington Spirit

played the Portland Thorns in a league game at the venue, while a month later DC United staged a friendly against Honduran team Olimpia.

The local team in the revived XFL will lease Audi Field from 2020 – though there are some concerns over how American football games will affect the turf – and there are also plans for concerts, lacrosse, rugby union, and college, pro and international soccer matches. A US men's national team game is slated for the spring, while in the summer a friendly against English Championship club Swansea City is planned.

DC United and Swansea have co-owners in common, including Levien, and both parties have already sought ways to exploit this relationship. DC United helped enable Events DC – the official convention and sports authority for the jurisdiction – become a sleeve sponsor of Swansea in this season's FA Cup. "[Events DC] were looking for some international exposure and we were able to negotiate that," Levien says.

DC United is also building a 50,000-square foot facility in Loudoun County, Virginia, that will include a 5,000-seater stadium for new United Soccer League affiliate Loudoun United, training pitches for the first team and a youth academy.



(Patrick McDermott/Getty Images)



(Robbie Jay Barratt/Getty Images)

Loudoun United is poised to play at Audi Field until its stadium is completed this summer. Meanwhile, DC United players will practice at RFK Stadium's outer fields and use a rented changing room and other facilities at the old arena until the new training complex is finished, which is expected to be by the end of the year. Naming rights and other sponsorship opportunities are being explored.

Capitalising on 'the Rooney effect'

Much of the reason for the increased interest in DC United – both on and off the field – has been the arrival and subsequent impact of Rooney.

DC United were bottom of the Eastern Conference when he joined the team from Premier League club Everton in June, and he almost single-handedly dragged the team into the end-of-season play-offs. He has given the club new relevance, both domestically and internationally.

According to GumGum Sports – which measures the media value of sponsorships across TV, streaming and social media – the first four months of Rooney's presence in the team generated \$4.5m in social media value for kit sponsor Leidos, up from \$130,000 prior to his signing.

Rooney's arrival on June 28

resulted in 3.7 million social media engagements, while his most memorable moment on the field – a last-ditch tackle before setting up an unlikely winner against Orlando City in August – led to 11.4 million engagements which, according to GumGum, was worth \$1.6m in media value.

The 33-year-old is by far the most expensive signing in the club's history: he signed a three-and-a-half-year deal worth around \$12m, with a number of additional performance-related bonuses worth up to \$4.85m total.

DC United and Rooney are also working together to maximise his commercial impact. The club and Rooney's agency Triple S Sports & Entertainment Group have joined forces with leading marketing firm Octagon to handle his marketing and media intellectual property rights in North America.

According to *The Athletic*, Rooney and DC United have a seven-year marketing agreement, worth a guaranteed \$2.5m to the player. If DC United makes more than \$2.5m off Rooney, he will be entitled to 50 per cent of all additional profits.

Rooney appears to be money well spent. According to Levien, many businesses are looking to partner with

DC United directly because of the former England captain's presence in the squad.

"In terms of the business side, Wayne Rooney put a spotlight on our team," says Levien. "Going into a new stadium, being a team that was on the rise and winning week in and week out, being in this hot new neighbourhood in Washington...all of that combined with Rooney elevated us in terms of the opportunities we have on the business side to grow and partner with different companies. In every conversation with potential partners, his name is brought up by them...and by us.

"None of this works unless he helps make us better – and he's obviously done that. His impact on the field helps us reintroduce ourselves on the business side."

Forbes's valuation of the club rose to \$265m last year, from \$155m in 2016. "These are the most exciting years in the club's history in terms of the richness of opportunity to build this business," says Levien. "Certainly, there were some exciting years in the beginning [DC United won three of the first four MLS Cups, from 1996 to 1999] and now we're in a massive upward trajectory where there are big opportunities for us ahead." ○



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LA Rams use Super Bowl to showcase stadium complex – and Kroenke’s vision

Team used moment in spotlight to help fund construction of transformative new venue

Key stakeholders invited to Atlanta; meetings with potential partners also arranged

Long-term commercial strategy will not be changed to secure short-term partnerships



LA Rams fans at the Super Bowl LIII send-off rally outside LA Stadium (Hiro Ueno)

Bob Williams

Ahead of the Los Angeles Rams’ trip to Atlanta for Super Bowl LIII in February, the franchise held a send-off rally for fans outside its transformative new facility, the \$5bn (€4.4bn) LA Stadium & Entertainment District in Inglewood, California.

The Rams used their moment in the spotlight to showcase their new arena – which will become the world’s most expensive sports complex when it opens in 2020 – and drive commercial interest in the franchise.

“Being in the Super Bowl, we are on television in front of 100 million Americans and tens of millions of others globally,” Jamie Reigle, the Rams’ executive vice-president of business operations, told *SportBusiness Review*.

“The level of recognition and

validation over the next few weeks of the hard work that has happened here and will happen...money can’t buy that.”

The privately-funded LA Stadium development, dubbed LASED, represents the focal point of billionaire developer Stan Kroenke’s grand vision in relocating the St. Louis Rams, of which he took full control in 2010, to Los Angeles three years ago.

Three-and-a-half times the size of Disneyland, it includes a 70,000-seater stadium, a hotel, retail space, office space and a 6,000-seat entertainment venue. The stadium – which will also house NFL rival the LA Chargers – has already secured the rights to the 2022 Super Bowl, the 2023 college football title game, and the opening and closing ceremonies of the 2028 Summer Olympics. It is also a likely host venue for the 2026 Fifa World Cup.

The 300-acre mixed-use development

site, which is co-owned by real estate investment firm Stockbridge Capital, will also include the 250,000-square-foot West Coast headquarters for NFL Media and the NFL Network from 2021.

The increased media coverage of the Rams in their run to the Super Bowl – where they faced the New England Patriots – has given the commercial team a golden opportunity to monetise the new facility, in particular the sale of stadium seat licenses (SSLs).

SSLs, which range from \$1,000 to \$100,000 each, are one-time fees for fans to have the right to own a seat at the stadium over 50 years. There is an additional obligation to buy season tickets for the length of the term.

SSLs are essentially interest-free loans to help fund the construction of the complex, which was originally projected to cost \$2.6bn but has gone significantly over budget. After 50 years,

deposits will be refunded to whoever owns the licenses at the time.

While SSL sales have been healthy since they were made available to the public last year – the team has reportedly sold all 500 of their most expensive licenses at \$100,000 – the Rams’ play-off run has driven up interest.

“We’ve been selling [SSLs] since March 2018 and sales have been strong throughout but it’s fair to say the level of interest has upticked in the past six months as the team has really stood out,” says Reigle, a former senior executive at Manchester United.

“With the play-off run, and ultimately making the Super Bowl, those phones are ringing a little more regularly than they were before.”

The Chargers, who will be secondary tenants at the LA Stadium, are also charging SSLs to help pay for construction, albeit at cheaper prices than the Rams for the same seats. The most expensive are \$75,000.

In addition to SSLs, the Rams are looking to sell hospitality boxes, sponsorship opportunities and a naming rights deal worth at least \$30m a year over 20 years – if successful, the \$600m total fee would be a global sport record-breaker.

“The whole organisation is focused on: how can we leverage this moment for maximum impact for the Rams? When I say that I don’t mean maximum commercial impact in the next seven days, I mean the maximum impact for the brand over the long term,” Reigle says.

“The value to the Rams as a brand and the entertainment district comes from securing the best brands and the longest-term fan relationships in that environment.”

Super Bowl a ‘shared moment’ for team and partners

The Rams had specific commercial plans for Super Bowl Week, including sponsorship activations with their partners and inviting key stakeholders to the big game.

American Airlines, the team’s Official Airline Partner, held an event at Los Angeles International Airport on the Sunday ahead of the team’s trip to Atlanta on a branded plane. There

was also a branded content series about the journey to the Super Bowl in partnership with the airline.

“With the play-off run, and ultimately making the Super Bowl, those phones are ringing a little more regularly than they were before.”

Jamie Reigle | executive vice-president, business operations, LA Rams

On the plane, all players had special-edition headphones made by Bose – an Official NFL Partner – waiting on their seat before take-off, while branded Unify caps were created for all employees and members following the team’s partnership with the financial services company.

A number of private parties were held in Atlanta for the team’s most-valued stakeholders, such as top-tier sponsors. Reigle says: “We invited all our stakeholders – our staff members, partners, sponsors, as many of our

season-ticket holders as we could – to Atlanta to be able to participate in this moment because it’s a shared moment for our club and our partners.

“We’re very appreciative of the support our sponsors and partners have given us throughout the year and we believe they buy into the ethos and the culture of the club and this is a reward for us – of course – and for our stakeholders, fans and partners.”

Time was also made for discussions with potential commercial partners. “We’ve been trying to look after the existing partner base but clearly while in Atlanta there will have been a number of businesses with whom we’ll have had conversations with about various opportunities, be it merchandising, branding, sponsorship and opportunities,” Reigle says.

Long-term commercial strategy

The Rams’ commercial strategy, though, remains fully-focused on the long term, as they look to transform a team that has been in its home city for just three seasons into one of the world’s leading sports brands.

The Rams played in LA from 1946 until



Stan Kroenke with the NFC Championship trophy on January 20 (Chris Graythen/Getty Images)



(Hiro Ueno)

1994 before moving to St. Louis, where they were based until 2015, and returned to southern California a year later.

The opportunities for the Rams – and indeed the NFL – are enormous, playing in the United States’ second-largest media market with a metropolitan population of 13 million to draw on. But there are significant challenges too.

LA is an incredibly crowded sports market. The city has two sports teams in every major competition: the Lakers and the Clippers (NBA), the Dodgers and the Angels (MLB), the Kings and the Ducks (NHL), UCLA and USC (college football), LA Galaxy and LAFC (MLS), and a rival NFL team in the Chargers.

According to an annual study of NFL fandom, taken by Dr Michael Lewis of Emory University’s Goizueta Business School, the Rams ranked 31st out of 32 teams in a statistical model that tracks the depth and breadth of team support.

Local TV ratings have also been sluggish. Fewer people in LA watched the local Rams beat the New Orleans Saints in the NFC Championship Game (2.1 million viewers) than watched the Patriots’ victory over the Kansas City Chiefs in the AFC Championship Game (2.5 million).

In order to grow its fanbase, the strategy is to win back older fans who supported the team when the Rams



“The whole organisation is focused on: how can we leverage this moment for maximum impact over the long term.”

Jamie Reigle | executive vice-president of business operations, LA Rams

were still in LA; try to turn local fans of other NFL teams into Rams supporters; and engage with younger residents who are looking for a team to support.

“First and foremost, the goal is to develop the brand of the Rams,” says Reigle. “The NFL did not have a team in LA, so if you were in LA then you had the choice of any team [to support]. Our

number one challenge over the last two years – and for the next three or four – is to develop that affinity for the Rams as the number-one NFL team in LA.

“Los Angeles is an incredibly competitive market for entertainment: you have the option to go to Disney, Universal Studios, the beach, outdoor restaurants – so for a sports team or an entertainment platform to cut through generally in LA you really have to have a compelling value proposition to draw people to your games or to your event.

“Clearly the success we’ve had over the past few years has been beneficial for our ability to win over those fans who were undecided and were choosing a team to associate with. We also came in with a leg up because the Rams were in LA for the better part of 50 years. There was a history here, an association – admittedly with an older generation – so we had that as a base.

“So what we are trying to do now is appeal to people who are fans of other NFL teams, who have an affinity for football but perhaps supported other teams because LA didn’t have a home team. LA is also a city of transplants: usually people are from somewhere else in the United States or they have moved here for their own career or educational opportunities so we’re really trying to appeal to them.”

To resonate with millennials, the Rams have looked to leverage their charismatic young coach Sean McVay, who was just 30 when he took over the team.

“The thing we are most excited about is how we appeal to a younger generation who don’t have an NFL team or are not even significant NFL fans,” Reigle says. “We have a coach who just turned 33, we have one of the youngest squads in the league, we play a very exciting brand of [American] football and we lead very much with our digital forms with how we communicate; and we try to be very innovative on that front. It’s all designed to appeal to a younger demographic.”

In this spirit, the Rams booked musicians the Chainsmokers and French Montana at half-time shows of two games this season to “try to infuse an LA vibe” to their games. “We’re really trying to present the brand which is reflective of Los Angeles, which has a heavy entertainment element,” Reigle says.

While the run to the Super Bowl has inevitably helped build awareness, Reigle is keen to ensure that the team’s

commercial success is not dependent on on-field results.

Despite a disappointing first campaign on the field in LA – the team finished the regular season with four wins and 12 losses, resulting in then-head coach Jeff Fisher losing his job – the Rams proved a draw for fans in their return to the city in 2016.

Playing at the Los Angeles Memorial Coliseum, their home until 2020, the Rams drew 83,164 fans on average per game. However, crowds plunged to 63,392 in 2017 following that poor first season and a declining novelty factor.

This season’s on-field success – inspired by McVay and star quarterback Jared Goff – has led to average crowds of 72,429 as the team surged to the playoffs and ultimately the Super Bowl.

“There is no doubt there is a correlation with the success you have on the pitch and the success you’re able to drive with fans and commercially. But I do believe that the very best sports organisations are able to decouple that link,” Reigle says.

“The key thing is to put a competitive

product on the field, and I believe we have that. Of course, metrics such as social media following, the engagement levels, tickets sales and so on do follow, but our goal and ambition is to make sure that this is lasting and not dependent, as some sports teams are, on success on the field.”

This is why the Rams aren’t changing their long-term strategy for short-term benefits on the back of their Super Bowl appearance. “We have a simple thing with staff internally which is: we want to behave like champions before we are champions,” Reigle says. “We try to instill that in the football side and also on the business side.

“We believe that we have been preparing for this moment and it’s really important not to change your behaviour just because you are in the Super Bowl. Whether we win or not doesn’t really change how we operate.

“The vision for the Rams is where we are in 2025 and only then will we know whether we’ve achieved those aims of establishing a global sports franchise in this unique market.” ○



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