

## **The commercialization of the Olympics: Cities, corporations and the Olympic commodity**

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### **Introduction: the mixed economy and the nascent commercialization of the Olympic Games**

The Olympics has become such a high-profile global phenomenon that it attracts some of the world's most prominent cities and capitals to bid for the prize of hosting a Games, particularly the Summer Games. Recognising this, and not wanting to give its product away all in one go, the International Olympic Committee (IOC) separated the summer and the winter Games after the Barcelona Summer Games and the Albertville Winter Games of 1992. This decision had been taken in 1986, in the wake of the euphoria of the profile and the profitability of the 1984 Los Angeles Olympics; and no doubt as a way of giving better value to those companies signing up to be preferred partners in the IOC's new sponsorship programmes. The bidding process and the marketing strategy of the IOC might seem to be separate processes, but as the IOC has exploited its products in increasingly successful ways in the two decades since the pivotal LA Games, it has become clearer that the processes are two dimensions of a single process: the intensifying commercialization and commodification of the Olympic product.

The spectre of commerce was conspicuous in its absence at the first Olympic Games staged after the Second World War. The president of the IOC, Avery Brundage, was a right-wing businessman from the USA; but he opposed with a messianic vehemence any moves to develop the Olympics on a more commercialized footing. Even at the time of his retirement, at the Munich Olympics in 1972, Brundage was still declaring that the IOC 'should have nothing to do with money' (Barney et al., 2002: 100). Stepping down as president, he observed that arguments over the distribution of money were destructive, threatening to 'fracture the Olympic Movement' (ibid.: 275).

The modern Olympics was from its inception vulnerable to the influence of commercial forces. De Coubertin, speaking at the University of Lausanne in 1928, even opposed the escalation in the construction of stadiums: 'Almost all the stadiums built in recent years are the result of local and, too often, commercial interests, not Olympic interests at all' (De Coubertin, 2000: 184). The idealistic founder of the Olympics spoke against 'athletics as a show', implying that commercially-based large-scale events would corrupt the amateur spirit: drawing upon promotional budgets and generating large crowds to justify the investment in the event, 'these oversized showcases are the source of the corruption at the root of the evil' (ibid.: 184). Yet De Coubertin himself knew that his project needed to attract sponsors, and he

was not averse to accepting some forms of commercial support. His publication *Olympic Review*, the IOC's official bulletin, sported a full-page advertisement from a Parisian sporting goods manufacturer in the January 1901 issue. And alcohol helped him fund the October 1902 issue, when the French brandy maker Benedictine paid for a comparable advertising spread (Barney et al., 2002: 29). In 1924 in Paris the Olympic stadium was bedecked in advertisements for Ovalmaltine, Dubonnet, Cinzano, and many other commercial product labels; and the French Organizing Committee published a 320-page guide to the Games containing advertisements on 256 of its pages, including ones for sporting goods and specialist alcoholic brands. (ibid.: 28). But the IOC was naïve and innocent in terms of the commercial exploitation of its product, which of course in a pre-television age was hardly a global brand. This was to leave the Olympics open to exploitation by bodies with a more basic commercial rationale. Barney et al. (2002: 31-49) document in meticulous detail the case that alerted the IOC to the dangers of leaving its product unprotected: the case of Helms's Olympic Bread.

Paul H. Helms, head of Helms Bakeries of Los Angeles, founded in 1931, was a well-placed businessman who secured a contract from the Los Angeles Organizing Committee to supply bakery goods for the Olympic Village at the 1932 Olympic Games. But he also registered the marks of the Olympics in all states of the USA, for his own exclusive use: these included the five-ring symbol, the Olympic motto and the word Olympic itself (Barney et al., 2002: 33). Neither the IOC nor any other body had ever looked to register ownership of these marks. Carl Diem, manager of Germany's Olympic team in Los Angeles, recommended Helms as the supplier for the Berlin Games of 1936. In 1948 Helms was the supplier in London. From 1938 the president of the United States Olympic Committee. Avery Brundage, did all he could to prevent Helms from continuing with his branding, but to little avail, as the visionary baker had watertight legal rights to what nobody else had sought to claim in law. Helms himself gave up his rights, in 1950, and his generosity allowed the IOC to both defend its products from commercial exploitation and, when the media potential of the event became clearer, to exploit its products more fully for its own financial interests.

It is illuminating that entrepreneurial operators from outside the IOC were the ones to see the potential of the commercialization process. In a later phase of this story, it was the German shoe-manufacturer Horst Dassler, of Adidas, setting up his company International Sports Leisure Marketing (ISL), who revolutionised Olympic finances. The new IOC president Juan-Antonio Samaranch learnt quickly from the model of sponsorship established by FIFA president Joao Havelange (Sugden and Tomlinson, 1988), and in late 1982 and 1983 ISL and the IOC established a partnership aimed at worldwide marketing of the Games, a lucrative further scoop for Dassler's company that gave ISL global domination of arguably the world's two biggest sports events (Simson and Jennings, 1992: 99-110; Tomlinson, 2004b). This was the beginning of the TOP (The Olympic Programme) marketing model that is still

in place at the IOC, with the marketing deals established by and within the IOC itself since the early 1990s.

Before this potent combination of sponsorship and television revenues that could enrich the IOC and national Olympic committees, the Games still had to be paid for. Opaque finances of respective Games, and forms of hidden subsidy, ensured that, regardless of Brundage's financial traditionalism, there were plenty of ways in which the US could continue in the post-Second World War period to dominate performances and results at the Olympics. At the 1948 event in London, where a record 59 nations participated, the USA continued its dominance of the medal tables. It topped the table at eight out of the eleven Summer Olympics from 1896 to 1948. In the other three it took second place: France pipped it in Athens in 1906, Great Britain romped home at the top of the table in London in 1908, and Germany took first place at the Berlin/Nazi Olympics of 1936 (Wallechinsky, 2000). Germany and Japan were not permitted to compete at the 1948 Games, the Soviet Union sent no team, and Sweden came a distant second in the table.

At the 1952 Olympic Games in Helsinki, no male member of the Soviet Union's first-ever Olympic track and field squad won an event. But Soviet men in events such as weightlifting and gymnastics competed fiercely for medals, winning several gold; and Soviet women set new levels of expectation in dominating the gymnastics events. At Melbourne in 1956 and Rome in 1960 the Soviet Union headed the national medal tables. The USA got top spot back in Tokyo and Mexico City in 1960 and 1968, the Soviet Union prevailing (with wider margins of dominance) in Munich in 1972 and Montreal in 1976. The Olympics had become a significant element of Cold War rivalry, the stakes raised in political terms. The political and economic basis of the Olympic Games was becoming debated and disputed in the context of this rising profile of the event. The USA-led boycott of the 1980 Moscow Games, stimulated by President Jimmy Carter in response to the Soviet invasion of Afghanistan the previous year, saw 65 nations stay away, and only 80 participate. The top four positions in the Moscow medal table were occupied by the Soviet Union, the German Democratic Republic, Bulgaria and Cuba. In a tit-for-tat boycott the Soviet Union and thirteen other nations stayed away from Los Angeles in 1984 (not many nations, but they had gained 58% of the gold medals at the previous Games in North America, Montreal 1976). The USA strolled back to the top of the medal table, Romania an interesting boycott-defying second. At its last Summer Games in Seoul in 1988 and Barcelona in 1992, the Soviet Union was a comfortable leader back at the top of the table, the US third behind the GDR at Seoul and second again in Spain four years later, when a newly united Germany pushed up to third place.

This overview of the rivalries at the apex of Olympic performance is both a political narrative and an economic one. Developing competitive sport became seen as a political necessity by the world's two dominant superpowers. And this never came cheap. The key funding factor in the case

of the two superpower rivals was the form of subsidy that the countries and appropriate institutions could provide. One English journalist, Larry Montague of the *Manchester Guardian*, observing the athletics contests at the 1952 Games, calculated that in a straight head-to-head 'the Americans ... would just about have beaten the rest of the world in running, jumping and throwing' (Brown, 1952: 143). Montague offered astute commentary on the basis of this US performance:

They owe their supremacy not only to their numbers, their brilliant individuals, and their sports scholarships at universities, but to their intense competition at home and their way of life, in which everyone desires to do everything better and quicker than anyone else; they do not see any limits to their achievement and as a result there are none. (Montague, in Brown, 1952: 143)

It is a powerful blend: an intense individualism spliced with national patriotic spirit, and institutionalised support in the university athletic system, funded by a combination of private and public sources. If any kind of reliable economic analysis could have been undertaken of the costs of such accomplishments in the middle of the twentieth-century, it would surely have confirmed that the rising profile of the Olympics was premised on massive economic subsidy, on ways of funding bogus amateurs who were in every real respect full-time athletes and potential tools of state ideology. In the Soviet Union, vaguely-defined professional roles and positions, in state-sponsored organizations and the military, provided an equivalent way to harness resources towards not-so-amateur athletes.

In the strictly amateur era athletes would not receive rewards for their achievements in any way comparable to the sponsored athlete of the future. The magnificent black athlete Jesse Owens - whose four records of 1936 were still intact after the 1952 Helsinki Games - was the son of a sharecropper, and hailed on his homecoming as a hero and a national and global celebrity in tickertape parades down New York City's Broadway, and in Cleveland. But his celebrity earned him virtually nothing, and he had to take a modestly remunerated job (\$130 per month) as a playground instructor, and to run against horses, dogs and motorcycles. Endorsing a failed cleaning business, he found no financial security until moving into a public relations role and providing speeches on religion, patriotism and marketing for corporate sponsors (Wallechinsky, 2000: 7). Olympic champions had to look elsewhere for lucrative livings, not all with the success of the five gold-medal man (from 1924 and 1928) Johnny Weismuller, who was spotted in a photograph for his BVD Underwear Company employer, and instead of competing in the first Los Angeles Olympics went on to his film debut in 1932 in *Tarzan, the Ape Man*, and 11 more Tarzan films over the next 16 years (Wallechinsky, 2000: 696). Harold Sakata, the 1948 silver medallist in light heavyweight weightlifting, became better known and better off as the sinister, frightening Oddjob in the James Bond movie, *Goldfinger* (Wallechinsky, 2000: 847). There was a kind of hidden economy underpinning the early Olympics, a mix of

state subsidy, amateur commitment and opportunistic self-promotion. For the athlete, this provided, particularly in market economies of the West, very little in the way of professional or financial security.

As the Cold War consolidated the status of the Olympics as a form of global cultural politics, a more explicit economic logic was to emerge as the Olympic events could be staged for worldwide media constituencies and an international television audience. The commercial potential of sport and sporting events was recognised for the entrepreneurial goldrush that it could become. New breeds of entrepreneur, marketing (mostly)-men, and media agents and agencies would change the basic economics of mediated competitive sport (Tomlinson, 2005). The Los Angeles Games of 1984 was a watershed for this, and the Olympic sponsorship scheme emerged co-terminously with Los Angeles's rewriting of the economic framework for staging an Olympics (Tomlinson, 2006; Tomlinson, 2004: 147-148). North American capital would come to dominate the macro-economics of the Olympics (Tomlinson, 2004: 160).

In the build-up to the 1984 Los Angeles Olympics, widespread and intense debate centred upon the torch relay. As this pinnacle of Cold War Games warmed up the citizenry of the USA for its patriotic response, nationalistic fervour intensified as athletes, volunteers and celebrities jostled for the opportunity to carry the torch. But not all Olympians were equally enthused. This torch relay was unique in the extent to which it commercialized an Olympic ritual. The International Olympic Committee (IOC) offers its idealised conception of the genesis and significance of the torch:

The Olympic torch is a symbol taken from the ancient Olympic Games, during which a holy torch burned continuously on the altar of Zeus. Fire is thought to be purifying in most cultures. The Olympic torch is carried along a relay from Olympia to the host city, proclaiming the celebration of the world's greatest sporting festival. As it travels, it carries a spirit of peace and harmony, triggering a huge celebration in which the whole world participates. It is a strong symbol of the international dimension of the Games. (IOC, 2000: 38)

In its rewriting of the rules of staging the Games, though, the Los Angeles Olympics Organizing Committee (LAOOC) was ensuring that LA would not go down the road of Montreal 1976, which had accumulated colossal debt that would have to be paid for by the citizens of the city and Quebec for decades to come. In LA 1984 everything was for sale. And this included any bit of Olympic symbolism that could be peddled to the public via corporate sponsors - not always for the profit of the Games organizers, but nevertheless a commodification of the ritualistic elements of the Games. President of LAOOC, Peter Ueberroth, costed the privilege of carrying the torch at \$3,000 per kilometre - to be donated to a charity of the participants' choice, not to go towards LAOOC costs - and though his plan was initially opposed by

Ueberroth's 'entire senior management' (Reich, 1986: 43), Ueberroth himself was insistent that a three-month relay, involving 3,350 people across the country from New York, raising 10 million dollars for individually chosen charities and causes, would be incomparable pre-event marketing, whilst appealing to the American volunteering spirit (Ueberroth, 1985: 189-91). The LAOOC boss then had to persuade IOC personnel, and convinced the president Juan Antonio Samaranch and his top executives that selling the flame was not a 'commercialization of the relay', as no money would go to the organizing committee or the athletes. Ueberroth himself recalls that not all interested parties were so easily persuaded:

The Greeks weren't as understanding ... The Greek IOC members, Nikos Filaretos and Nikolaos Nissiotis, objected, claiming we were commercializing the flame. (Ueberroth, 1985: 192)

Ueberroth had done his homework and lobbying, though, with Samaranch pleading his case, and the Greeks were placated by LAOOC's provision of finances for the Greek 500-meter relay from Olympia to Athens, and the contribution of uniforms, shoes, torches and flags. And finally, to ensure that the organizing committee was not diverted from the main event, a sponsor would be found to fund the organization of the marathon event. This was communications giant AT&T. Each division - AT&T itself, Pacific Bell, AT&T Directory Services, AT&T Long Lines Division, Western Electric Company - signed sponsorship deals. All costs would be covered in the deal - maintenance, manpower, transport, and a squad of runners to run across landscapes where no \$3,000 per kilometer runner could be found. For this, AT&T got the status of official sponsor, had national and international exposure in the build-up to and the staging of the Games, and could claim the best hotel rooms in town, reserved by the organizing committee, and blocks of tickets for blue-riband events. The selling of the torch relay was framed as a community initiative, mobilising thousands of volunteers, raising almost \$11 million. For AT&T, though, it was first and foremost a commercial proposition.

There is nothing pure and fixed about Olympic rituals and symbols, once operationalized beyond the annals of official IOC rhetoric. The torch relay itself was first staged in 1936, for the Berlin or Nazi Olympics. But the selling of the torch, the sponsoring of the relay was unambiguous testimony to an unbridled commercialization on which the Olympics would then be based. After the Hamburger Olympics (Gruneau, 1984), at which McDonald's funded the new swimming/diving facility, and in the time of an IOC leadership that from the early and mid-1980s onwards targeted hugely increased sponsorship strategies, the Olympics would be a draw for cities lured by the 1984 success and the reported profits of the privatized Games. Los Angeles wrote a new script for the economics of the Olympics. The LAOOC's official record is straitspeaking on this:

It was noted that for past Games, the top sources of funds had been direct government subsidies, receipts from lotteries and Olympic commemorative coin programs, and then television rights sales, ticket sales and the sale of sponsorships. Direct government subsidies were unavailable to the LAOOC, and lotteries were then illegal in the state of California. ... the planning focused on sources in the private sector: television revenues, sponsorships and ticket sales. (Perelman, 1985: 116)

The audited results (March 1985) of the event showed the astounding success of this commercial strategy. Broadcasting rights generated \$286,794,000; ticket sales, \$139,929,000; sponsorship and licensing, \$126,733,000; the coin program, \$35,985,000; interest income, \$76,319,000; and other sources such as non-monetary contributions, revenue from ticket-handling charges and accommodations, \$102,884,000. Operating expenses were \$398,394,000; payments for venue and facility use, \$97,389,000; and expenses to the International Olympic Committee, \$50,145,000. The accounts made joyful reading to sports entrepreneurs and elated politicians: no huge infrastructural costs, a willing and costless army of volunteers that eliminated significant labour costs. And the outcome, a surplus of \$222,716,000. The United States Olympic Committee got 40% of this whopping 'excess of revenues over expenses' (Perelman, 1985: 119). Twenty per cent went to national governing bodies of sports in the USA. The rest went to the Los Angeles Organizing Committee Amateur Athletic Foundation for sport promotion and development.

The LA model looked irresistible, and turned around the fortunes and the futures of the IOC and its product. Cities, corporations and consumers would become the primary partners as the commercial logic of the Olympics produced a formula for the event's continuing profile and escalation in a post-Cold War world. It was not a simple or watertight economic model, and government subsidies would certainly be drawn upon for future Games, in Seoul, Barcelona and Sydney. But the central characteristic of the model was the commercialization of the event, a ruthless commodification of the product, only possible in a wholesale abandonment of the amateur principle and ethos underpinning earlier Games, alongside a recognition that just as the Games themselves were fully exploited for their commercial potential, athletes themselves could make the most of their individual market potential. This commercial logic is considered more analytically in the concluding section of this chapter. Prior to that, a selectively descriptive portrayal of the main partners in this calculus shows the extent of this transformation in the political economy of the Olympics over the two decades following on from the Hamburger Olympics. It will be shown how cities are chosen not on the basis of any core Olympian value, but more as appropriate settings for the consumer bonanza that the Games have now become; and how official Olympic sponsors universalize contemporary Olympism as a form of global consumerism (Roche, 2000: 26-7).

## Cities

In the early summer of 2004, nine cities still hoped to be awarded the prize of the right to host the Summer Olympic Games of 2012. These were Havana, Istanbul, Leipzig, London, Madrid, Moscow, New York, Paris, and Rio de Janeiro. In Lausanne in May 2004 four of these cities were eliminated: Havana, Istanbul, Leipzig and Rio. The surviving cities comprised a litany of first-world metropolitan centres in Europe, and their nearest and highest-profile North American neighbour. It is interesting to see how the losing and surviving cities represented their candidature to the international public in that year before the IOC would vote and decide on the winner.

First, the losers. Havana did not bother. There was nowhere on the web where the Cuban case was made. Istanbul, by contrast, clarified its motivation and backed this up with extensive 25-page documentation: 'Istanbul has a twofold motivation for hosting the Olympic games. One is the desire to benefit from the exceptionally enriching experience of Games organization. The other is the impelling drive to inspire a more profound conception of Olympism as a universal value' (p.5). 'The meeting of continents' was its headline, the title of its bid, evoking a vision of international peacemaker, a catalyst for harmony and reconciliation. Leipzig was more modest, perhaps acknowledging with a mix of pragmatics, realism and disappointment that it was not really in the frame. Its December 2003 Newsletter showed Muhaammad Ali visiting the city, mentioned agreements on anti-doping, and gave little space to talking up the city's 'compact concept' for staging the Games. The importance of such an event to the revitalisation of the city and the region's economy was also highlighted, but there was a lack of overall vision, and a half-hearted mention of the launch of the new logo. But there was little dynamism in Leipzig's tone. Its elimination several months later would have come as no surprise. Rio had a clearer message: 'In 2012, we will bring our passion to the world ... ONE VILLAGE, ONE CITY, ONE WORLD'. Why Rio? Because it is a city that 'loves everything to do with the Games', and 'in Rio, the Games will be held within the limits of the host city for the first time in history. Four strategic regions will hold all the facilities required for the event'. Not enough though, and the latest bid to land the Olympics for the South Americas was destined for failure. Its candidature was not helped by the strong likelihood that the world's football governing body, FIFA, was likely to grant the 2014 men's soccer World Cup to Brazil. Sponsors would hardly favour locating the two biggest sporting events in the world in one economically volatile South American country within two years. It is too little recognised that Olympic/IOC and World Cup/FIFA politics are interlinked, with overlapping membership of decision-making bodies, complementary interests in the global sports calendar, and sponsors' interests to protect in the global marketplace. The four eliminated candidate cities might have needed economic and related benefits more than any of the other five, but the Olympics is not about need. It is about position, and consolidation of position. So the purportedly most idealistic and universalized of sports events in the world, after its Asian diversion to Beijing in 2008, would revert

to one of the metropolitan giants - in Europe, all national capitals - of the West.

These giants were not slow in putting themselves forward. London's website brochure fronted the British prime minister, Tony Blair, writing of 'practical benefits for the capital and the country'. As if the parochialism of the failed bid by the English FA to secure the 2006 men's World Cup had taught the English/British no lessons, Blair concentrated on local benefits: memories and champions for the country, a 'healthier and fitter population': The Games 'would drive the environmentally-friendly regeneration and rejuvenation of East London, give a huge boost for tourism across the UK and provide thousands of new opportunities for work and volunteering'. Here Blair perpetuated some of the core Olympic myths regarding projected positive effects, for tourism may decline during an Olympics and any post-Olympic increase in tourism is rarely sustained. Perhaps only Barcelona has been a serious exception to this (Kennett and Moragas, forthcoming 2005). But this did not stop the bid boosters in their tracks. Craig Reddie, chairman of the British Olympic Association and IOC member, called the decision to make the bid 'the most significant development in British sport in generations'. Tessa Jowell, the Secretary of State for Media, Culture and Sport, claimed that a London Games would revitalise the east of the city, and 'inspire and enthuse a generation of young people'. The Mayor of London, reconciled former prodigal son of the Labour government, Ken Livingstone, hailed the bid: 'Revitalizing London's East End and showcasing the capital's rich cultural diversity are at the heart of the bid for London 2012. I have no higher priority'. He also referred to the 300 languages spoken in London's schools, a nod towards cosmopolitanism. But the puffs for the bid were very inward-looking. Barbara Cassani, chairman of the bid summarised this perspective: 'The entire UK would benefit from the huge sporting, cultural, business, tourism and volunteering opportunities that come from hosting the Games. We would have the chance to show the country, and ourselves, at our best'. There was not much wooing of the IOC here, little in any way of greetings to the international community. London would survive the cut in May 2004, but behind Paris and Madrid in the IOC ratings, and not far ahead of New York and Moscow. Cassani was immediately sidelined and Lord (Sebastian) Coe elevated to the front position of the bid. There would be much work to do for the Conservative peer and Olympic double gold medallist. However commercialized the whole bidding process had become, Lord Coe would be unlikely to galvanise the local economy in ways that would assuage the IOC adjudicators who had put London in only third place because of its rusty transport infrastructure and, though not explicitly stated, persistently arrogant and naive mode of self-presentation.

Prominent on Madrid's website was the line up of 'Collaborating Companies' - 'A shared dream thanks to the support of companies ... Madrid's Olympic project is supported by the most important Spanish companies. These companies believe in and are financially committed to our project'. The companies were then classified in platinum (13 companies), gold (33

companies), silver (12 companies) and bronze (24 companies) categories. Moscow appealed to culture, tradition and history, and the widespread popular support of Muscovites and other Russians, pledging levels of support of 90% and 89% respectively in favour of Moscow's candidature for the Games.

New York's documentation was a version of OCOG's (Organizing Committee for the Olympic Games) well-developed preliminary bid document first produced in the Summer of 2001. In 2003 US dollars, the projected NYC2012 OCOG total revenue was estimated at \$1,834,000,000. Ticket sales, at \$813 million, was the highest single source, followed by income from local and national sponsors and suppliers (\$687 million). Licensing and merchandising would generate \$95 million, Paralympic revenues \$69 million, and miscellaneous revenues \$170 million. All this was to be in addition to IOC contributions from both its select list of sponsors, and IOC-negotiated television rights. These latter had been projected, in 2000, at \$764 million and \$179 million respectively (New York 2012, 2001: 95-96). In 2003 New York declared its motivation to be based in New Yorkers' 'deep need to channel their energies, spirit, and resources to express solidarity with the world': '... the Games will be remembered for bringing to life the force of the Olympic Movement in a city that, like the Games itself, celebrates the power of dreams and the triumph of the human spirit'. To bring to life the Games itself would, though, be the job of accountants, economists and financiers, media and commercial partners, more than speechmakers or apologists for the Olympic ideal. New York was explicit about this from the start of its candidature. After 9/11, the rhetoric of renewal and international solidarity could be amplified still further, but this could not conceal the stark economics of planning underlying the financial infrastructure and commercial realities necessary to the hosting and staging of an Olympic Games.

### **Corporations**

The IOC had in place for 2000-2004 its fifth generation, as it called it, of The Olympic Programme (TOP) sponsorship scheme with corporate partners. Its ten sponsors/partners were: Coca-Cola, John Hancock, Kodak, McDonald's, Panasonic, Samsung, Sema, *Sports Illustrated*, Visa, and Xerox. The first cycle of the scheme, TOP 1 (Calgary/Seoul 1998), generated \$95 million, from 9 partners. TOP II (1992 Albertville/Barcelona) generated \$175 million from 12 partners. Ten partners generated \$350 million for TOP III (1994 Lillehammer/1996 Atlanta). In TOP IV (1998 Nagano/2000 Sydney), \$500 million was generated by 11 partners. For TOP V the IOC forecast that the scheme would generate 'in excess of \$600 million in financial and technical support to the organizing committees of the Olympic Games and the Olympic Teams' (IOC press release, 6 June 2000).

The ways in which these companies use their status as sponsors varies, but all buy for the four-year cycle a universally recognisable badge, and the guarantee of inestimable media coverage and profile during the Olympic

event itself. Coca-Cola's initial emphasis is on its historical pedigree, referencing its unbroken sponsoring of the Games since 1928, and its extension of this partnership already through to 2008, and the importance of 'the Olympic spirit of unity and competition ... to you, our consumers': 'The Olympic Games are truly global events that provide an opportunity to bond with our consumers all over the world through activities and promotions they appreciate and understand'. These included selecting 2,500 torchbearers, from among 'local citizens', to carry the Olympic flame on its route to its Salt Lake City site in 2002: people 'who had demonstrated courage, dedication, passion or a deep concern for others'. Coca-Cola also congratulates itself on its own initiatives: 'We've also created original popular activities at the Games themselves, like the Pin Trading Center, where people can trade pins with other fans from all over the world, and Coca-Cola Radio, which gives popular DJs a chance to share the excitement of the Olympic Games with their home town fans'. Coca-Cola speaks for itself, its global brand name needing no further logo as it reports its Olympic connection. John Hancock (Financial Services), though, uses the Olympic rings on its home page, stating proudly its status as 'World IOC sponsor', secured in 1993 up until at least 2008. The company started its sport sponsorships in backing the Boston marathon in 1985, and also sponsors Major League Baseball and ice-dancing. The company's reasons for sponsoring the Olympics are unambiguously clear:

Why would the Financial Services giant want to get into sports marketing?

Just ask John Hancock's Vice President of Corporate Communications Steve Burgay. "At John Hancock we believe that the Olympic Games are the one event that allows the world to see so much patriotism, tolerance, selfless sacrifice, individual excellence and plain old virtue crowded into two short weeks," he says. "To the athletes, they are the culmination of a lifetime's hard work. To the host cities, they are the highest possible expression of local pride. When you think of the Olympics, you think of winning."

And, of course, to the commercial sponsor, they are an unmissable marketing opportunity:

"The Olympic Games also provide a unique international marketing platform," Burgay continues. "John Hancock's Olympic Marketing programs, which include matching internationally renowned athletes with hometown clinics, help to strengthen existing client relationships and give Hancock an edge in new client prospecting. More than anybody else, the athletes are the face of the Games. These people really do embody the Olympic ideals."

The metaphor is Hancock's own: Olympic sponsorship as a form of gold-digging.

Kodak boasts both its historical pedigree, claiming sponsorship of the Olympic games for 106 years, and now running 'the biggest photo lab in the world', and its world-wide sponsor status, heading its sites with the five rings. Rather than any broad rhetoric, Kodak presents itself as technological provider and host to the professionals, the photographers and the broadcasters, at the Games.

Fast-food giant McDonald's reels off Olympic statistics like a Las Vegas cab-driver boasting of the city's consumption of electricity and wattage usage. In the Olympic Village and Main Media Center at Salt Lake City the company had a captive market. In the village, 52,695 'guests' were served, of whom 53% were athletes. At the center, the Snack station and Restaurant snared 53,588 'customers'. The Big Mac was the 'top seller in the village, along with McDonald's World Famous Fries'. And research is quoted on the benefits to athletes, for whom the McDonald presence provides the familiar taste of home'. A specialist nutrition consultant, 'Jacqueline Berning, Ph.D, R.D' assures us of the benefits of a McDonald's diet: 'I work with swimmers who are calorie-burning machines. They're thrilled when I show them how they can enjoy McDonald's as part of their diets'. A Director of nutrition at the Cooper Clinic in Dallas, 'Georgia Kostas, M.P.H., RD, L.D.' tells us that 'Olympic athletes need "real-life" food that they enjoy. It's great McDonald's will help meet this need at the Olympic Games'. No doubt the company was thrilled too to find experts willing to peddle such pseudo-scientific gobbledygook; unfortunately the site didn't have space, it seems, for corroborative lists of scientific sources. On its Olympic site McDonald's also tells us about its own charity work in establishing its 215th world-wide house for 'immune-compromised' children, and lists the company personnel who have competed in or officialised around the Olympics. And we can learn of gold awards made to company personnel committed and dedicated enough to compete in the Big Mac Builder's competition to find the crew that can build the fastest and best Big Mac. Burger builder or basketball selector alike, these are hailed as equal in the 'McFamily of Olympians'. And despite this kindergarten drivel, IOC first vice-president and marketing committee chair Richard (Dick) W. Pound could also be integrated into the promotional rhetoric: 'The McDonald's brand exemplifies "best-in class." It's an experience that people have in common around the world. We're very pleased that McDonald's commitment to Olympic Athletes world-wide will not only continue, but grow in strength as one of our leading supporters through 2004.'

Panasonic devotes nothing to the Olympics on its main site, but in its global sponsorship section browsers are directed to several links. These include a brief history of the Games from 1984-2002, its period of sponsorship, with a particular emphasis upon the exploits and achievements of Japanese athletes and competitors; a backstage look at the technologies used and developed for the Olympics; advertisements in the form of both still and moving images; and souvenirs. The five rings of the Olympic logo are prominent, but the self-

representation is subdued, restrained and technical in comparison to some of the other sponsors' sites.

Korean telecommunications giant Samsung takes a much more direct approach, telling us of the company's global market aspirations. Il-Hyung Chang, Senior Vice President, Corporate Communication Team, recalls the company's debut as an Olympic sponsor at the 1998 Winter Olympics in Nagano, Japan, when 'Samsung was among the last in the row of companies. Today, only five years later, numbers show we are the third in the world among telecommunications companies'. In 2001, Samsung's fourth place was based on a 7.1% market share, in 2002 a 9.8% market share secured a third place, and estimations for 2003 pointed to a 12% plus market share. Vice President of the company Eric Kim claims a direct causal relationship between the rising global profile of the company and its status as an Olympic sponsor: 'The Olympic Games is a universal event, attract the interest of the whole world and reflect the ideals of sports that appeal to most people. We have been participating in Olympic projects lately, with very beneficial results for our company.' Samsung's sponsorship of Athens 2004 comprised '3 main axes': sponsoring the torch relay, along with Coca-Cola; creating a 'Samsung Olympic Rendezvous' in the heart of the athletes' village; and providing 22,000 mobile phones to athletes, officials, the media, IOC members and volunteers. 'At the heart of sports is fair play, a virtue that SAMSUNG esteems as a key corporate belief' the opening/home page of the site declares, saying too that it is 'driven by the corporate belief to promote peace and happiness through sports and its ability to unify regardless of race, gender, religion or geography ..'

The sponsor Sema presents itself as SchlumbergerSema, world-wide IT partner of the IOC. It boasts of securing 'the world's largest-ever IT contract for four games and eight years', from Salt Lake City in 2002, Athens and Turin (2006), and Beijing (2008). Sema summarises its accomplishments at previous Games, and lays out its strategy for 'ramping up for Athens'. It is a self-confident, assertive site, emphasising jobs well done and progressive technological achievements. The 300 Schlumberger people at the Salt Lake Games 'managed a vast IT system that relayed information in real time to the participants, audiences and media. The same team provided IT-enabled accreditations to the 89,000 athletes, officials, sponsors and media representatives to enable the safe and secure movement between the 79 events held across 10 sporting and 30 non-competition venues.' Estimates of numbers of users of SchlumbergerSema services in Athens in 2004 approached a quarter of a million people (involving the administration of 200,000 accreditations), active in more than 80 facilities.

Compared to these technological profiles, Sports Illustrated offers little in the way of self-promotion of its TOP status. Its home page contains no reference to the Olympics, and even trails to 'more sports' and 'Olympics' lead to very little information or promotion. The Olympics appears to be a minor emphasis for the sponsor, in comparison to US-specific sports. The magazine

would not be offering any direct service during the Games, but by definition would obviously raise its Olympic profile in the build-up to and during the event itself. Visa, on the other hand, buys in to exclusive product placement, 'installing a network of cash machines and hundreds of payment terminals at the Olympic venues'; offering Visa cardholders general help and information, and multi-lingual emergency services; and sponsoring a Visa Olympians Reunion Centre, 'where past and present Olympic athletes can meet and chat'. The Olympic Games is an ideal marketing opportunity for the credit-card company, 'a magical combination of sport and culture that brings together people from round the world'. Visa notes the IOC's observation that its sponsorship enables the competing nations to take part, by supporting National Olympic Committees. Without such sponsors, only 30 of the 200 competing nations could get to the Games, we are told.

Xerox, 'The Document Company', makes much of its Olympic status. It locates its Olympic role within a broader social and cultural history, from its first involvement as sponsor, when it used just five plain-paper copiers at the 1964 Tokyo Games. The first post-9/11 Games are recalled by Chairman and Chief Executive Officer Anne M. Mulcahy as a special case. Not only was her own carrying of the torch for a leg a personal 'unforgettable experience', the company's sponsorship of these particular games was of especial significance: 'In 2002 Olympic sponsorship was about pride: pride in country, pride in people, pride in community and businesses. It was about working together as a team to support an event that unites the world ... In Athens, the Olympic Flame will again unite people in the shared experience of celebration and achievement and, as the Olympic Summer Games return home to Greece, we will celebrate a history of admirable resolve in the face of adversity ... Our presence in Athens demonstrates our continued commitment to our people, our technology and our customers.' In this fortieth year of its Olympic sponsorship Xerox combined its own mission statement with an interventionist and harmonising global role. Olympic-style rhetoric is blended with company interests, as the Team Xerox Olympian Program, established in 1990, continues to spread 'the Olympic message to thousands at charity events, fund-raisers, schools and training clinics. Our specially selected Olympic team has inspired and motivated us in a variety of corporate events for our customers and ourselves.' Xerox provides the fullest and most gushing elision of Olympic values with corporate values. The following two extracts speak for themselves:

Hope, dreams, friendship, inspiration, joy in effort. These are just a few of the emotions the Olympic Summer Games evoke in people throughout the world. Xerox shares and embraces the values, spirit and teamwork that distinguish the Olympics as a vital event in our global society. We hope that you will join us in Athens as we come together in these challenging yet hopeful times in a show of unity, brotherhood and pride that elevates the human spirit. Championing innovation - doing what's never been done before - is what the Olympic Summer Games are all about. Like Olympic athletes,

we at Xerox are Champions of Innovation. And like Olympic athletes, we marshal every resource to aggressively seek and deliver creative, groundbreaking and powerful results for our most important audience, our customers'.

The IOC may not have repeated the marketing innovation of 1924, when advertisements appeared in the stadium. But despite the purity of the stadium, the commercial message saturates the Olympics. At any Olympic Park the sponsors are prominent, foregrounding their services and products. As consumers, not just spectators and fans, the Olympic audiences and crowds are pushed into not just the rhetoric of the official sponsors and suppliers, but towards the consumption of those sponsors' goods and products. Corporations speak to potential consumers in their self-promotional rhetoric, and they want to be in the right place to be able to do this. The IOC also knows that the big sponsors want luxury for their money: the best hotels in the most desirable city locations, the block bookings of seats for the most sought-after events.

### **Conclusion: Commercialism, commodities and the Games**

Unlike many other sporting events, such as Formula I motor-racing or the football World Cup, the Olympics has sought to keep the commercial imagery of the event under some control. The Olympic Stadium is not permitted to have perimeter boards, and the IOC has traditionally used the word 'clean' in its instructions and criteria for bidding cities. Cities must comply with this: for instance, 'NYC 2012 recognizes the importance of clean venues to a successful Olympic Games. Accordingly, NYCOG will reach agreements with all venues to ensure that no commercial signage will appear, in accordance with Rule 61 of the Olympic Charter' (NYC 2012, 2001: 119). So you can turn on the television and there appears to be a purity about the Olympic setting, and the five-ring logo has pride of place in the venues. But athletes of course wear clothes, and these carry logos; and in the milieu of the surrounding Olympic environment, the sponsors have a heavy presence. Olympic Parks and the streets around venues are orgies of consumption, sites of commercial advertising and selling. It is a brilliant conjuring, or marketing, trick by which the IOC in the post-1984 era of naked professionalism and blatant commercialism has preserved a presentational gloss of idealism and universalism. The cities are in it for reconstruction and global positioning, chasing world-wide markets; the corporations are in it for global profile and unprecedented levels and scales of television exposure; the consumers are in it for a mixture of motives, some as sports enthusiasts or idealists, others for the party atmosphere or the feel of being close to something big. But whatever the drive behind the commitment to the event of these different players, the commercialization of the Olympics has turned it into a global commodity. The Olympics has a fascinating claim to speak for international ideals, for the value of transcending difference in friendly competition. But it is as a commodity that the scale, media and market penetration and

extraordinary longevity and sustained profile of the phenomenon must be understood.

There are different definitions of, and levels of thinking about, commodity. It initially referred to a quality or condition of things relating to the 'desires or needs of men', the quality of being commodious or convenient (OED, 1971: 482). As economics and markets reconstitute social and cultural boundaries and definitions of needs and desires, the notion of commodity can come to mean, as in everyday economic life, simply a product in the marketplace, an item of purchase: 'an article or raw material that can be bought and sold, esp. a product as opposed to a service' (OERD, 1996: 291). The modern Olympics in this general everyday sense have always been a commodity, in that entrance fees were set, products were put on display (the events). But these were modest levels of circulation, based upon non-profit-making and break-even budgets. To really grasp the escalating scale of the commercialisation and commodification of the Olympic Games entails a recognition of the more complex nature of the commodity form as it is generated in contemporary global sport(s).

And for this there is another level on which the commodity can be conceptualised, drawing upon critical analyses of the fundamental economic dynamic of market capitalist societies as developed by Marx in *Capital* (Marx, 1976), and as developed in Braverman's neo-Marxist exploration of the expansion of the market. Braverman has commented: 'How capitalism transformed all of society into a gigantic marketplace is a process that has been little investigated, although it is one of the keys to all recent social history' (Braverman, 1974: 271). Supra-national cultural phenomena such as the Olympics, driven by mixtures of political, economic and social forces, have had their part to play in such a transformation. A certain genre of writing on the Olympics, a kind of topical reminiscence, reveals a simpler form of social and cultural product before the Olympics of a global and mediated consumer culture. Christopher Brasher could see the Games as 'vast', but felt in touch with 'the horde of journalists' flooding in from the 15 different venues, and could even claim to 'see a tenth of what goes on' (Brasher, 1964: 41-42). A specialist political focus (Ali, 1976) could address the African issue in purely political and cultural terms. In this less developed Olympic context and setting, perspectives could still be credibly produced as if the Olympics was a festival of individual human achievement (Benagh, 1976). And involved professionals could predict from their commentary box and diaries cum memoirs that 'the "hard core" of the Olympics will never change' (Bateman, 1968: 70), centred as it was and remains around the track races and the marathon. But the escalation and commodification of the Games has transformed them first and foremost into a celebration of global consumerism alongside any persisting celebration of the triumph of the human spirit or the political system. 'Celebrate humanity' has been a message from the IOC in the early years of the century, referring to the 'priceless moments' such as when 'the sweet smile of a 17-year-old Russian girl named Olga taught us that our differences weren't as great as they seemed.' But Olga

Korbut has to share the stage here with the real partners, as we are reminded that these moments are now 'made possible, in part, with the help of our Worldwide Corporate Partners':

Not only do these companies understand the importance of the Olympic Movement, but they have provided food, shelter, training facilities and more to the world's athletes. We thank them for their dedication and ask the world to return the favour by supporting the companies that advance the spirit of the Olympics.  
[[http://www.olympic.org/uk/news/media\\_centre/press\\_release](http://www.olympic.org/uk/news/media_centre/press_release), accessed 1/28/04]

Michael R. Payne, IOC marketing director since moving to the IOC from ISL in 1989, could write after the Sydney Games that 'new and innovative programmes' by the sponsors had enhanced spectators' experiences, and that 'the marketing programmes were presented with a new focus on promoting and enhancing the Olympic spirit, in a commercially-controlled, ambush-free environment'. Payne was to leave the IOC after the Athens Olympics, and was soon advising British sports minister Richard Caborn, at a meeting on the luxury yacht of Bernie Ecclestone, the Formula 1 entrepreneur; and inviting London bid leader Sebastian Coe to his isolated Swiss chalet to brief him on the *realpolitik* of Olympic bidding (Lee, 2006: 99-100). In such networks are Olympic futures made. No wonder Rio de Janeiro, Istanbul, Leipzig and Havana could be ditched so early in the race for the 2012 Summer Games. The world-wide partners know the markets into which they want to reach, and, despite London's promise to the youth and future youth of the world, what kind of consumerist universalism in what kind of city they want to promote as they keep digging deep into their corporate pockets.

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