



Marketing Consultancy Report

PMD Consulting

**Presented by Papa Massata Diack
(Strictly Confidential)**

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Foreword



The purpose of this document is to facilitate the handover of the Marketing responsibilities entrusted to Papa Massata Diack (PMD Consulting) as IAAF Marketing Consultant from September 2007 to September 2015.

My mission was as follows:

1. Participate in the planning and implementation of a strategy to attract corporate sponsors from Brazil, Russia, India, China, South Korea, Mexico, South Africa and Gulf Cooperation Council;
2. Participate in marketing IAAF commercial rights (in full coordination with Dentsu/Ams)
3. Assist and advise the IAAF General Secretary and the Marketing Director in commercial negotiations and TV Rights negotiations
4. Co-ordinate the IAAF Continental Programme
5. Assist the IAAF Area Associations in their search for sponsors
6. Assist and advise IAAF in searching sponsors for “One Day Meetings”
7. Tv rights for Middle East Africa, Australia, Usa, Carribean, Indonesia, Philippines

Mandate given by IAAF

My suggestions during the IAAF Marketing & Promotion Commission in August 2006 Beijing during the IAAF World Junior Championships to reach out to **Emerging Markets** including BRICS (Brazil, Russia, India, China, South Korea & South Africa), Asia (including Middle East), NACAC and Oceania regions led to my appointment by IAAF President in September 2007.

The consultancy agreement was subsequently renewed in December 2012 after I successfully assisted **IAAF** and **Dentsu** to conclude commercial partnerships in Russia (VTB) , in South Korea (Samsung Electronics), IAAF Diamond League Title sponsorship (2010/2012; SAMSUNG), in China (SINOPEC) and broker the payment of the WCH 2015 Athletes Prize Money by an Official IAAF Partner (SINOPEC ; US\$ 7,000,000),

PMD Consulting was paid in 2007/2012, a daily consultancy fee of US\$ 900 plus all travel & accommodation expenses. It was subsequently increased to US\$ 1200 for the period 2012/2015. It was also agreed a 5% commission on all agreements brought in for the IAAF which have a direct impact on IAAF Finances (Diamond League, Continental Programme, Prize Money, etc).

Sales Cooperation with DENTSU/AMS



DENTSU is currently holding all commercial and TV Rights for the IAAF World Athletics Series (except Europe TV Rights; which has been sold directly by IAAF President, IAAF Chairman of Marketing Commission, IAAF General Secretary and IAAF Consultant) . It pays a minimum annual guarantee to IAAF and gives a Profit Share beyond the MG of 60/40.

For that purpose, PMD Consulting had to secure from Dentsu the commercial mandate for all sponsorship sales conducted on the IAAF World Athletics Series and TV Rights.

This agreement was only sealed on 14 March 2010 and include list of companies to be approached **exclusively** by Papa Massata Diack in the territories defined by the IAAF Consultancy agreement (**see attached**). Dentsu also included in its sales approach the package IAAF Continental Programme which was sold to ADIDAS for US\$ 9,500,000, SAMSUNG for US\$ 2,000,000, SINOPEC for US\$ 1,500,000 and VTB for US\$ 3,850,000.

Sales Cooperation with DENTSU/AMS

Territories, Categories and Target Companies ⁽¹⁾



Russia

Gazprom
VTB (Renewal 2015+)
Metalinvest
Alrosa

Energy
Banking & Financial Services
Steel, Iron, Gold
Diamonds

UAE

Mubadala
Etihad
Dolphin
Abu Dhabi Media
Etisalat
IPIC

Investments
Airlines
Energy
Media
Telecommunications Services
Petroleum

Brazil

Petrobras
La Caixa
Vale

Energy, Downstream Services
Financial Services, Banking
Mobile Communications Services

Sales Cooperation with DENTSU/AMS

Territories, Categories and Target Companies (2)



China

Lenovo	Computers
SINOPEC (Renewal 2015+)	Energy (Downstream services)
China Mobile	Mobile Communications Services
Union Pay	Consumer Payment Systems
Beijing Automotive Works	Construction
Tsingtao	Cereal Malt Beverages (Beer)
Air China	Airlines
China Southern Airlines	Airlines
China Resources	Cereal Malt Beverages (Beer)
AVIC	Aircrafts
China Citi Group	Real Estate/Property
Huawei Technologies	Mobile Communications Devices
CCCM	Construction

Qatar

Qatar Airways	Airlines
The Pearl	Real Estate
Qatar Petroleum	Energy
QSI	Investments
Qatar National Bank	Banking & Financial Services
Beln Media Group	Media & Broadcasting

Sales Cooperation with DENTSU/AMS

Territories, Categories and Target Companies ⁽³⁾



India	Reliance Group Nirmal Lifestyle	Telecommunications Services Real Estate/Property
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Mexico	Telmex Claro Cemex	Mobile Communications Services Mobile Communications Services Cement
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Nigeria	Globacom OAMDO	Telecommunications Services Petroleum
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South Africa	Vodacom MTN SAA Metallion Gold Group	Mobile Communications Services Mobile Communications Services Airlines Gold/Mining
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Coordination of IAAF Continental Program 2010/2015



In 2009, IAAF Council entrusted IAAF Marketing Department with the specific mission of identifying additional resources for Area's competitions, in line with recommendations made in IAAF World Athletics Plan 2003/2012 and IAAF Strategic Plan 2013/2016.

Then in 2010, the IAAF Council introduced the IAAF Continental Programme in its decentralization policy and PMD Consulting was appointed as the main coordinator for this property. It involves the staging of 10 events annually in NACAC, South America, Africa, Oceania and Asia. The consultant received an annual budget of US\$ 150,000 to US\$ 180,000 maximum ;

Fact sheets and reports are attached . The reports of this Programme are all available with Jee Isram, MSD for review.

Sponsors Contribution (Cash + VIK) IAAF Continental Program 2010-2015



Generated US\$16.85 million in terms of sponsorship from sponsors



US\$9,500,000



US\$2,000,000



US\$1,500,000



US\$3,850,000

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IAAF Continental Program 2010-2012



COMPETITION	AA	YEAR	SPECTATORS	TV (IN MILLIONS)	BROAD. (MINS)	ATHLETES	OFFICIALS	MEDIA	Place
African Championships	AAC	2010	105 000	62,00	1 290	585	300	30	Nairobi
African Junior Championships	AAC	2011	22 000	58,00	720	382	370	3	Gaborone
IAAF World Challenge Dakar	AAC	2011	45 000	5,00	225	175	100	15	Dakar
Moroccan National Championships	AAC	2011	2 000	0,80	300	500	105	17	Casablanca
Nigeria National Athletics Championships	AAC	2011	15 000	5,50	1 080	800	450	25	Nigeria
IAAF World Challenge Rieti	EAA	2011	7 500	0,35	600	190	250	90	Rieti
5th Grande Premio Brasil CAIXA/SESI de Atletismo	Consudatle	2011	3 000	6,50	900	153	125	80	Uberlandia
Grande Premio CAIXA de Atletismo	Consudatle	2011	35 000	1,20	110	140	180	30	Rio de Janeiro
Grande Premio CAIXA/UNIFOR de Atletismo	Consudatle	2011	4 000	2,00	100	100	100	60	Fortaleza
South American Senior Championships	Consudatle	2011	6 500	0,80	600	346	200	92	Buenos Aires
Jamaica International Invitational IWC	NACAC	2011	30 000	157,40	120	140	230	35	Kingston
IAAF World Challenge Ponce	NACAC	2011	10 000	5,00	120	252	150	10	Ponce
Oceania Combined Events Championships	OAA	2011	5 000	0,01	120	571	80	2	Australia
African Championships	AAC	2012	115 000	97,26	1 280	580	350	35	Porto Novo
Ibero American Championships	Consudatle	2012	13 685	5,86	840	398	350	80	Barquesimeto
South American U23 Championships	Consudatle	2012	21 500	1,80	360	240	400	40	Sao Paulo
CARIFTA Games	NACAC	2012	6 322	0,04	720	419	200	20	Bermuda
Cayman Invitational Track Meet	NACAC	2012	7 200	0,03	120	240	150	32	Cayman Islands
Jamaica International Invitational IWC	NACAC	2012	32 690	1,20	180	150	245	45	Kingston
IAAF World Challenge Ponce	NACAC	2012	10 300	0,84	240	235	150	12	Ponce
Oceania Area Championships	OAA	2012	35 600	2,24	360	440	150	8	Cairns

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IAAF Continental Program 2013-2014



COMPETITION	AA	YEAR	SPECTATORS	TV (IN MIL)	BROAD. (MINS)	ATHLETES	OFFICIALS	MEDIA	Place
Asian Athletics Championships	AAA	2013	23 000	6,90	600	522	300	30	Pune
African Junior Championships	AAC	2013	13 000	70,86	750	223	380	10	Mauritius
IAAF World Challenge Dakar	AAC	2013	53 000	6,86	300	180	120	60	Dakar
IAAF World Challenge Rieti	EAA	2013	6 700	0,27	180	212	250	85	Rieti
South American Junior Championships	Consudatle	2013	13 000	0,43	300	273	200	50	Resistencia
South American Senior Championships	Consudatle	2013	14 000	2,14	720	322	300	75	Cartagena
Cayman Invitational Track Meet	NACAC	2013	7 500	0,04	120	80	150	30	Cayman Islands
IAAF World Challenge Ponce	NACAC	2013	11 200	0,82	240	100	150	15	Ponce
Jamaica International Invitational IWC	NACAC	2013	16 600	0,90	180	150	250	40	Kingston
Oceania Area Championships	OAA	2013	23 000	0,04	360	420	210	30	Tahiti
Asian Cross Country Championships	AAA	2014	12 000		120	64	50	2	Fukuoka
CARIFTA Games	NACAC	2014	37 600	1,60	480	500	350	3	Martinique
Jamaica International Invitational IWC	NACAC	2014	22 600	0,60	180	140	200	40	Kingston
NACAC Cayman Islands Meet	NACAC	2014	3 200	0,02	120	108	175	2	Cayman Islands
IAAF World Challenge Ponce	NACAC	2014	10 000	0,90	240	132	200	20	Ponce
Asian YOG Qualification	AAA	2014	1 000	0,01	240	320	100	1	Bangkok
BVI Twilight Invitational	NACAC	2014	2 800	0,00	120	89	140	4	British Virgin is
Asian Junior Championships	AAA	2014	1 500	1,20	720	652	247	6	Taipei
Oceania Area Championships U20 & Seniors	OAA	2014	2 000	0,33	360	400	150	6	Rarotonga
African Senior Athletics Championships	AAC	2014	75 000	85,05	720	535	712	16	Marrakech
IAAF World Challenge Rieti	EAA	2014	7 000	0,30	240	170	200	3	Rieti
VI Campeonato Sudamericano Sub 23	Consudatle	2014	3 600	1,02	540	310	240	2	Montevideo
XXII Campeonato Sudamericano de Menores	Consudatle	2014	15 000	2,14	720	430	260	15	Cali

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IAAF Continental Program 2015



COMPETITION	AA	YEAR	SPECTATORS	TV (IN MIL)	BROAD. (MINS)	ATHLETES	OFFICIALS	MEDIA	Place
South American Youth Championships	Consudatle	2015	3 000	1,70	360	280	150	3	Ecuador
South American Athletics Championships	Consudatle	2015	31 000	14,20	360	333	150	12	Lima
South American Under-16 Championships	Consudatle	2015							Cali
Carifta Games	NACAC	2015	4 500	2,00	480	499	150	3	St Kitts & Nevis
Jamaica International IWC	NACAC	2015	37 000	140,00	240	140	200	25	Kingston
Ponce Grand Prix IWC	NACAC	2015	8 600	3,00	240	180	100	3	Ponce
1st Asian Youth Athletics Championships	AAA	2015	40 000	0,60	480	470	200	15	Doha
21st Asian Athletics Championships	AAA	2015	66 000	198,00	600	497	180	12	Wuhan
Asian Grand Prix Series	AAA	2015	3 places	2,00	180	300	150	2	Thailand
Oceania Area Championships (Combined Events)	OAA	2015	3 000	1,00	360	217	100	5	Cairns
African Junior Championships	AAC	2015	100 000	35,00	720	260	110	18	Addis Ababa
IAAF World Challenge Dakar	AAC	2015	55 000	5,12	180	485	150	12	Dakar



Sales Status Report

IAAF World Athletics Series
IAAF Diamond League
IAAF Continental Programme

IAAF World Athletics Series

- 8th OIP secured by November 2014 : China UNIONPAY; deal blocked;
- IPIC (Abu Dhabi) – involvement in 3 WCH, London, Doha, Eugene
- SINOPEC (China) – renewal discussions 2016/2021
- Qatar National Bank, as replacement of VTB for banking category 2016/2020 and inclusion of the IAAF Continental Programme

IAAF Diamond League

- Turkish Airlines was the last prospect discussed but would not commit more than US\$ 2,000,000; difficult sale because of TV audiences and lack of commercial attraction
- Prospect to have a Chinese Sponsor from 2017 onwards

IAAF Continental Programme

- Qatar National Bank
- Adidas

Clients



Banking and Financial Services

US\$30,367,000



Fortune 500 company, 2nd largest bank in Russia, present in more than 20 countries across the CIS, Europe, Asia and Africa. Annual revenue of US\$22.79 billion

- IAAF WAS Events 2007 to 2015
- Title Sponsor of IAAF Continental Programme 2010 to 2015
- Title Sponsor for IAAF World Athletics Final 2008/2009, IAAF Continental Cup Split 2010
- Official Partner IAAF Centennial Gala Dinner 2012

Consumer Electronics
US\$29,100,000



Ranked 8th world's most valuable brand on Forbes 500, Samsung's annual revenue was equal to 17% of South Korea's \$1,082 billion GDP at US\$208.9 billion

- IAAF WAS Events 2009 to 2011
- IAAF Diamond League Title Sponsor 2010 to 2012 (42 meets)
- IAAF Continental Programme 2010 to 2012
- The longest and most difficult negotiations encountered; April 2006 till the conclusion in March 2009
- SAMSUNG was supposed to be involved in WCH Paris 2003
- One of the most active OIP in promotion & activation of their sponsorship rights worldwide and domestically

Energy, including oil and gas

US\$20,625,000

SINOPEC

World's largest company by revenue and second largest chemical producer. SINOPEC is ranked 3rd on Fortune 500, and the largest company in China. Annual revenue of US\$445.3 billion.

- IAAF WAS Events from 2010 to 2015
- Title Sponsor for IAAF World Half Marathon Championships Nanning 2010
- IAAF Continental Programme 2010
- Prize Money for WCH Beijing 2015 paid to IAAF directly saving US\$7 million from IAAF Budget and creating new milestones for WCH bids. Host Cities also have to guarantee Athletes' prize money for IAAF Council

Media & Broadcasting

US\$76,000,000



IEC in Sports, based in Stockholm, which is a wholly owned subsidiary of the Lagardère Sports group, has offices in Lausanne, Dubai, Hong Kong and Sydney. IEC in Sports manages over 300 events annually and has wide experience in the field of media rights sales, distribution and production.

- European TV Rights from 2010 to 2013 for IAAF WAS events

Adidas AG,
Germany



Sportswear & Sports-shoes

US\$9,500,000



Adidas is the largest sportswear manufacturer in Europe and the second biggest in the world, after Nike. Annual revenue of more than US\$ 14 billion and ranked 70 World's Most Valuable Brands

- Sponsorship rights for 2010-2019 IAAF Continental Programme

Media & Broadcasting
US\$3,410,000



2008 Summer Olympics coverage on CCTV resulted in an aggregate 41% audience share across its network. More than 90% household penetration and accessible to more than one billion viewers.

- Historic co-operation to boost coverage of Athletics in the People's Republic of China, signed personally by IAAF President and Director of CCTV 5.

Media & Broadcasting

US\$8,346,000 (projected to US\$5,000,000)



Leading media organization in the Middle East, employs 1900 people across its operating units which include publishing, television, radio, digital media, distribution, and printing. the official media organization of the government of Abu Dhabi.

- TV Rights for Middle East & Africa 2014-2019
- Deal under review to buy back 2019 for subsequent sales to beIN Sports for WCH Doha 2019, final value to be reduced by US\$3 million

Athletics is the world's sport – nothing is more simple or universal

This means accepting a global responsibility to use the power and reach of athletics to make a positive difference. We are delighted to introduce a landmark new social responsibility programme called **Athletics for a Better World (ABW)** that harnesses the commitment and energy of the worldwide athletics family to inspire lasting change.

ABW will provide a common brand and platform to promote all projects that seek to use athletics as a tool for social good. Social responsibility is a key element of the IAAF's new Strategic Plan and we are ready to activate a worldwide network of Area Associations, Member Federations, volunteers, families, athletes, sponsors and other public institutions who believe in the values of our sport. Social Responsibility also allows Athletics to be seen as more than just "another performance driven sport" but as something with much more to offer. PMD Consulting has found a commercial partner that commits to make an annual donation of US\$ 80,000 per annum from 2016 onwards for this Programme and will suggest to develop a cooperation with The World Bank by including one its Vice President in the IAAF Development Commission.



Athletics FOR A
Better World®



Participated in generating 42% of IAAF's Marketing & TV Revenue from 2006 till 2029



20 Zone 10 – Ngor Almadies

Tel: +221 33 868 1698

Fax: +221 33 868 1699

Gsm: +221 76 1238888

Email: massata@pmdconsulting.org