

Sport and Industry

by *Horst Dassler*,
Chairman of Adidas



Horst Dassler, the son of Adi Dassler, founder of the Adidas company, was born on 12th March 1936 in Erlangen (GER). In 1960, following the completion of technical studies in his homeland, he settled in Dettwiller (Alsace - FRA) where, with a staff of about one hundred, he created Adidas France.

In 1967, the headquarters of Adidas France was transferred to Landersheim. The company currently employs more than 2,000 persons.

At the present time, this theme is an extremely topical one. It is under active discussion by sports authors of both socialist and capitalist countries, by the European Council in Strasbourg, by Unesco and others ... but no final definition of it has yet been found.

Naturally, this complex situation is complicated above all by the concept of the Olympic Games, which represent the greatest sports event and have always done so. The Olympic spirit, created in ancient times, and revived by Pierre de Coubertin, expresses in principle :

The attempt to achieve the ideal in terms of one's character and one's actions, which implies establishing a vitally important equilibrium between body and spirit, might be defined as a continuous individual endeavour to fulfil the motto " Citius, Altius, Fortius ". Such efforts however can only be deemed beneficial to humanity if they are carried out in a spirit of co-operation and with mutual respect on the part of all athletes everywhere.

The interpretation of such principles is, and must always be, relative. The development of civilisation has created new sociological

problems, and, like all religions and philosophies, the interpretation of the Olympic philosophy must move with the times, freeing itself from the subjective viewpoint taken in the past, and taking up a more flexible position. Although I come from industry, and am therefore perhaps chauvinistic, as an enthusiastic sportsman I am nevertheless still influenced by the physical and ethical value of the Olympic spirit. I should like here to set out some theories, as objectively and neutrally as possible, which take certain undeniable facts and developments into account.

In order to set about this in a realistic manner, the state of sport today must first of all be clearly defined. The ethical, economic, sociological and political aspects must be taken into careful consideration. Whereas in ancient times, sport was seen as recreation and entertainment, its meaning in the twentieth century has grown far beyond what it originally was, and it now plays a decisive role in the development of our civilisation.

Basically, it would be a question of closing our eyes to reality if we did not begin with a clear differentiation between mass sport and elite sport. Both have an influence upon each other, and have many points of contact, but yet have a completely separate effect on, and a different purpose in, our society. For this reason, they are automatically governed by different principles.

I - Elite sport

Elite sport has almost entirely lost the ethical value which it owes to the Olympic ideal, and it is of no use to lament what is already gone, because any change in this situation would no longer be either possible or one which could be controlled. Today, the

functions of elite sport have quite a distinct order :

1. Political propaganda.
2. Economic propaganda.
3. Spectacle and entertainment.
4. Business interests (particularly in the so-called professional sports).
5. Promotion for development of mass sport.
6. Sociological influence on the masses.

I do not intend to go into the individual points in detail, as this would lead to the inclusion of too many other matters, but I should like to point out nevertheless that all six points, however much they would seem to oppose one another, when seen individually, do as a whole offer more advantages than disadvantages, and cannot be lightly dismissed. The single question which is posed is this : how can these factors be channelled, in such a way that they do not begin to take control of sport, but rather may be co-ordinated in order to assist the sports movement ?

II - Mass sport

Mass sport today has an enormous task to fulfil in the fields of sociology, education, health and politics.

Unfortunately, its financial means do not allow mass sport to assert its real significance either in education—whether in or out of school—at club level, or the level of similar organisations, or in mass movements of any kind. The budgets in individual countries are simply not sufficient, and the wrong type of motive and stimulus ruins a large proportion of the efforts which are made.

On the other hand, sport *should* play a compensatory philosophical, political, educational and health-educational role in our hectic world, which is so troubled with everyday necessities and our individual strivings for advancement and pleasure.

Here, elite sport takes on a certain balancing role and creates a healthy motivation, even though it can only partially influence mass commitment to sport. The

old Benedictine saying “Mens sana in corpore sano” (a healthy mind in a healthy body) must, for better or worse, be replaced by some such pragmatic statement as “A bird in the hand is worth two in the bush...”

On this basis I should therefore like to limit my comments to elite sport and its relationship with industry, and note the possible solutions. The final solution, can, of course, only be achieved, as far as the present significance of the Olympic Games is concerned, within the framework of a revision of the so-called “amateur status”.

The times in which elite sport—whether amateur or professional—could finance itself from ticket sales or media coverage (especially television) are long past.

Industry, which relies upon mass sport for its sales and its income, has long since become the chief source of sponsorship.

If one takes into consideration that even professional football, which is still the greatest spectator sport in the world, is now receiving more money from sponsors and from commercial enterprise for the next



Top competitive sport...

World Cup in Spain than from television (SF 39 million from television and SF 63 million from commerce), the development is quite clearly shown.

The Olympic Games serve as the only exception, as the contract for the Games in Los Angeles involves the tidy sum of \$US 225 million for the United States alone. Without additional assistance from sponsors, however, the Games could not manage, as whereas to date, organisers have not incurred losses on repeated occasions, heavy investments have been made by the host cities.

How can we make use of the advantages of financing by industry without allowing the amounts to become excessive, all the while avoiding a situation in which industry takes control of sport ? In order to answer this, we must first analyse the possibilities for action by industry, and then channel these.

Areas of interest to industry :

1. Equipping of elite sportsmen in brand name goods. Manufacturers' equipping of elite sport with sports goods is already partially controlled. The regulation of

quantity and extent of advertising space of brand names on sports goods is now internationally recognised and in recent years has become increasingly widespread.

The use of photographs, names or slogans by so-called amateurs has, nevertheless, not yet been regulated in many sports, and different sports take different attitudes. A ruling on this question by the IOC would be needed and would require exhaustive discussion.

2. Sponsorship by large firms.
3. Advertising.
4. Stadium advertising.
5. Licensing, merchandising.
6. Films.
7. Music.

The questions of general advertising, stadium advertising, sponsorship, licensing and merchandising, films and music must be considered together. The problems involving these possibilities for deriving receipts are

. . . and mass sport. *Cross-country skiing in Engadine (SUI).*



usually the concern of large firms, which alone are able to put sufficiently large amounts at the disposal of sport. These projects always have as their aim an all-embracing "package" of communication. Large firms prefer not to make themselves known through a short, intensive burst of publicity, but attempt to communicate by discreet, long-term, world-wide campaigns.

It is here that the solution to the problem may be found :

If the three partners—sports organisations, the media and industry—could find a way to change over from the short-term, excessive advertising by industry to long-term and more discreet programmes, many problems would be overcome and more financial support would be assured for sport.

It is without doubt better to establish a "packaged" campaign with several firms for a sports event in which clear rules are laid down, and in which the financing of the mass movement is also taken into consideration rather than constantly assaulting all concerned with overuse of "quick-fire" advertising.

In this connection, I do not consider it right to seek reduced consumption of alcohol and tobacco by prohibiting advertisements for these goods.

Firstly, it is very doubtful whether this type of advertising at sports events influences in any way use by the consumer and secondly, it is a pity that this opportunity to earn money is denied to the sports world since this money would surely contribute more to a reduction of the sale of such goods if it were used to help sport.

The system of forcing the manufacturer to mention the dangers of his product for the consumer in advertisements is surely both more realistic and more effective.

All the methods by which industry may present its products to the consumer, whether the articles are sports goods or mainly consumer products, depend on the possibility of publicising products as internationally, as frequently, and as directly as possible. In this context, television is naturally the most important of the mass media.

On the one hand, however, television pays the organisers relatively poorly, as it must operate on as small a budget as possible, and because of its monopolistic situation in many parts of the world, (especially in Europe and Latin America), which places it in a controlling position. On the other hand, television is trying to offset its inherently indirect nature by seeking alternative forms of communication.

Although this is understandable enough, one should not try to be a moralist whilst trying to exploit a position of exclusiveness to secure maximum profits from minimum investments. It is this which has forced sport to seek alternative methods of financing itself.

It is the less well-known sports, which suffer, and which look to industry for sponsorship. It is in its own interest therefore, for this category of sport to support industry in its efforts to find compromises, acceptable to the media such as television, newspapers, radio, etc., in order that these sources of finance do not dry up.

In conclusion, it may be said that :

Sport needs industry if it is to continue to grow. Sport gives the opportunity for an excellent " image " for industry's publicity and so to work together would be mutually beneficial. The rules of a project involving this type of co-operation would nevertheless need to be laid down and carefully revised. Sport does not want to be controlled by industry, and industry needs a more beneficial programme.

The IOC, because of its importance, could play the role of mediator. An institution composed of representatives of both sport and industry could surely find an acceptable solution.

Certainly the IOC could embark on such an initiative.

H. D.

