
A Turning Point for IOC Television Policy: U.S. Television Rights Negotiations and the 1980 Lake Placid and Moscow Olympic Festivals

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Introduction

Ignati Novikov, president of the Moscow Olympic Organizing Committee (MOOC), liked the cards he had been dealt. He and his colleagues knew that the “big three” television networks in the United States regarded the rights to the 1980 Moscow Olympics as a prized commodity. The visual image of U.S. athletes striving for gold medals behind the Iron Curtain had much allure for American television executives. While the United States and Soviet Union were locked in the continuing throes of the Cold War, Olympic competition provided a symbolic outlet for Soviet/American hostility ideally suited for U.S. television.¹ Satellite technology would bring the dramatic spectacle and the struggle between the athletes representing the two nations to a captivated American audience, an audience that no doubt intrigued marketing executives within major U.S. companies who were plotting future advertising campaigns. National Broadcasting Company (NBC) and Columbia Broadcasting System (CBS) officials had looked on enviously as Roone Arledge and his American Broadcasting Company (ABC) colleagues parlayed their technical expertise in sports coverage and their ownership of the television rights to the 1976 Innsbruck and Montreal Olympic festivals into significant Nielsen ratings triumphs.² They were poised to challenge ABC’s status as the “Network of the Olympics,” Novikov realized that he was working in a “seller’s market.” Determined to put on a display of Soviet strength and athletic prowess, Moscow organizers were eager to use American television money

and revenue supplied by corporate America to achieve this objective.³

Novikov's counterparts in Lake Placid, New York, the American organizers of the 1980 Olympic Winter Games, found themselves in a cash flow crisis that necessitated the consummation of a domestic television rights contract before the competitive zeal of the major U.S. networks for Olympic television rights reached its zenith. The sleepy but vibrant ski resort community buckled under the weight of the responsibilities inherent in hosting an Olympic festival. Feeling ignored by NBC and CBS executives, who postponed their feasibility studies and cost analyses of televising the Lake Placid Olympics, Lake Placid organizers quickly negotiated a television rights deal with ABC's Roone Arledge in order to ease their financial difficulties. While the contrasting nature of the respective television negotiations reflected the immense challenge facing Lake Placid organizers given the tiny community's resources and Moscovites' aspirations for a grand spectacle, both processes confounded and aggravated International Olympic Committee (IOC) officials. This paper will address the IOC's response to the negotiation tactics employed by Ignati Novikov and by the Lake Placid Olympic Organizing Committee (LPOOC), whose television negotiations were spearheaded by LPOOC's president Ronald McKenzie and members of its TV-Marketing Committee.

From an historical perspective, the IOC had been hesitant to take a seat at the negotiating table, opting to delegate responsibility for television negotiations to the respective Organizing Committees with all contracts subject to the approval of the IOC. It was a policy designed by former IOC president Avery Brundage to reap money for the IOC and its affiliated organizations, the National Olympic Committees (NOCs) and International Sport Federations (IFs), while sparing the IOC from criticism based on the conflict between its pecuniary aims and Brundage's oft-expressed views on the evils of commercialism.

Although conflict between the IOC and Organizing Committee officials over the distribution of television revenue occurred as early as the 1950s, the television negotiations staged in conjunction with Olympic festivals in 1972, 1976, and 1980 were instrumental in the IOC's subsequent decision to assume a more significant role in television negotiations.⁴ Attempts by Organizing Committee officials to sign contracts prejudicial to the financial interests of the IOC in the 1970s pushed Olympic leaders to accept that as stakeholders in the negotiation process, they needed to more actively protect the IOC's financial interests. The Lake Placid and Moscow negotiations sealed this decision. Events prompted the passage of IOC legislation mandating a joint negotiation policy for future Olympic television rights contracts. Negotiations would be the shared responsibility of the IOC and the Organizing Committees after 1980; this policy was first employed for the 1984 Olympic festivals in Sarajevo and Los Angeles.

No longer satisfied with overseeing television negotiations at a discreet distance in order to protect the organization's image, IOC president Lord Killanin determined that reserving a seat for the IOC at negotiation sessions for future television contracts provided the means necessary to safeguard the IOC's financial interests. While Killanin had foreseen such an eventuality when his patience was

sorely tested by organizers of the 1976 Montreal Games (Killanin himself was forced to intervene in negotiations between the Montreal Olympic Organizing Committee and the European Broadcasting Union in order to avert a television blackout in Western Europe), it was the cycle of negotiations for the 1980 Olympic festivals that finalized the breach with past practices? His decision resulted in a transition period for IOC policy in the negotiation arena because the IOC soon discovered that Organizing Committee negotiators proved no less troublesome when they were partners than when they had been able to exercise more control over the process.⁶ Beginning with the 1992 Olympic festivals, the IOC has maintained sole authority over the negotiation process, although key negotiators such as Canada's Richard Pound, South Korea's Un-Yong Kim, Switzerland's Marc Hodler, and IOC president Juan Antonio Samaranch, who manages the negotiations for European television, seek advice from members of the Organizing Committees.'

The Lake Placid and Moscow television negotiations, overseen by IOC Finance Commission chairman Jean de Beaumont, an increasingly powerful Monique Berlioux (IOC director), Killanin, and a growing cadre of legal and financial advisers prompted a change in the IOC's method of "doing business." This change in its managerial approach to television negotiations symbolized the philosophical bridge laid down during the Killanin years between the contrasting visions of the Olympic Movement espoused by Avery Brundage and Killanin's successor, Juan Antonio Samaranch.⁸ Brundage accepted that television provided a conduit for promoting Olympic ideals to the world and that the revenue it supplied would offset some of the challenges facing Olympic officials. Still, he was vigilant for inroads of commercialism and reacted swiftly through speeches or correspondence when he believed that money was tarnishing his idealized view of the Olympic Movement. An authoritarian leader, Brundage was obstinate in his opposition to any change in amateur regulations and dealt with the concerns of the NOCs and IFs in a dismissive manner. Juan Antonio Samaranch is labeled a savior by some and vilified by others.⁹ He embraced the notion that money, whether in the form of television revenue or corporate sponsorship, facilitates the promotion and independence of the Olympic Movement without jeopardizing its core values. He has removed barriers preventing the participation of professional athletes in the Olympic Games and opened channels of discussion with members of the Olympic Tripartite (IOC/IFs/NOCs). Biographer David Miller was accurate to label Samaranch's first twelve years in office as a revolution, but we must remember that the stage for Samaranch was set by Killanin who sought to maximize the value of Olympic television rights contracts in order to improve the IOC's troubled financial status, supported overdue policy changes with respect to athlete eligibility, and attempted to repair strained relations between the IOC and members of the Olympic Tripartite.¹⁰

Television policy resulting from the Lake Placid and Moscow negotiations supplies one span of the bridge built during the Killanin presidency linking old perspectives with the new Olympic vision. Knowledge gained from front-line work in the negotiation process for the sale of television rights for the 1984 and

1988 Olympic festivals improved the IOC's ability to deal with television issues and provided its officials with the confidence to assume exclusive control of negotiations with television executives by the end of the 1980s. The Lake Placid and Moscow television negotiations advanced the process of change concerning the IOC's managerial philosophy regarding financial matters and showed that Brundage's warning about the dangers of mixing the Olympic Movement with business and commercial interests was a distant memory.

Moscow Officials Establish Their Initial Negotiating Position

In 1974, Moscow was granted the right to host the 1980 Summer Olympics. Spurned by the IOC in the past in their bid to stage an Olympic festival, Soviet sport officials rejoiced while observers in the West decried Soviet human rights policies and shuddered at the propaganda opportunities placed in the lap of Kremlin authorities." If the IOC was to remain credible with its, albeit naive, claim that sport and politics were separate, the decision to grant the Soviet capital the right to host the Olympic Games was inevitable. This fact was no solace to the naysayers who questioned the decision. Kremlin officials coveted the opportunity to host the Olympics.¹² "It [was] a chance to show off Moscow and the glorious achievements of Russian Socialism," notes Christopher Booker, "in a way that had not been possible in all the sixty years since the Revolution."¹³ With the support of the Kremlin, organizers pushed forward with plans to host the Games of the twenty-second Olympiad.

Although Novikov could count on Soviet political leaders for financial support, he was aware that the explosion of televised sport in the late 1960s and 1970s in the West provided the prospect for significant revenue, especially from the U.S. market. All three television networks were interested in acquiring the U.S. rights for the event.¹⁴ "The fact that the Games would be taking place in the heart of the Soviet Empire was of great interest to network News as well as Sports," wrote David Klatell and Norman Marcus, authors of *Sports for Sale: Television, Money and the Fans*, "as it represented perhaps an unparalleled opportunity to pierce, even in a limited way, the Iron Curtain with the all-seeing television lens."¹⁵ Roone Arledge, who had been instrumental in establishing ABC Sports as the major player on the Olympic scene, was committed to acquiring the television rights for the Moscow festival. Although CBS had been largely absent from negotiations for Olympic television rights since its pioneer coverage of the 1960 Squaw Valley Winter Games, Robert Wussler, CBS's new vice president of sports, also displayed keen interest. NBC's upper management seemed ambivalent. However, Carl Lindemann, vice president of sports, worked quietly behind the scenes to convince his NBC colleagues to pursue the U.S. television rights for the Moscow festival.¹⁶

The Cold War backdrop for Olympic competition and ABC's rise to America's top-rated network, in part due to its recent Olympic coverage, fueled the competitive fire of Arledge and his peers.¹⁷ Arledge's past success in Olympic

coverage spurred the interest of rival U.S. television networks, but all concerned recognized the unique possibilities for intense televised sport drama and spectacle in Moscow. The Moscow site; the perception of the Olympics as the pinnacle in athletic competition; the ideological gulf between the U.S. and the Soviet Union; and constant reminders of the conflicting American and Soviet world views provided to Americans through domestic news coverage, television, and Hollywood fare proved a tantalizing combination for the U.S. networks.¹⁸

In the aftermath of ABC's Nielsen ratings coup resulting from its coverage of the 1976 Innsbruck Winter Games, all three networks courted the organizers of the Moscow festival. ABC's morning show, *A.M. America*, produced a ten-hour series on Soviet life depicting such a "sanitized" view of Soviet life that it embarrassed many within ABC's news division." "We made Moscow look like Cypress Gardens without the skiers," lamented one ABC official.²⁰ CBS employed popular television actress Mary Tyler Moore as its host for a special on the renowned Bolshoi Ballet. NBC concluded an agreement to televise the U.S.S.R. Festival of Music and Dance. All of the networks were caught up in the chase for Moscow television rights as evidenced by their purchase of Soviet films depicting "the heroic efforts of farm labor, new production quotas at lumber mills, and the glories of life on the collective farm."²¹ These attempts to curry favor with the Soviets had little effect on the process because the Soviets considered "the whole episode as a chance to tweak the Americans a bit, watch them squirm, and dump on them a bunch of worthless productions gathering dust in some Ministry of Culture film library."²² With the appetites of U.S. television executives whetted, Soviet officials hosted the first negotiation session.

Aboard the *Alexander Pushkin*, a Soviet vessel moored in Montreal's harbor during the 1976 Summer Olympics, American television executives, who were "lean, tanned, quick-witted, supersophisticated, [and] fond of Gucci shoes," stood opposite "the burly, pallid, [and] somewhat grim bureaucrats who composed the Soviet negotiating team."²³ Novikov and his associates wined and dined U.S. network officials before presenting their initial bargaining position. "The decks were awash with gallons of Stolichnaya vodka and Armenian cognac," observed William O. Johnson of *Sports Illustrated*, while "tables groaned beneath platters of cracked lobster, sliced sturgeon, [and] caviar."²⁴ While feting their guests, the Soviets told representatives of the networks that they desired \$210 million (U.S.) for U.S. television rights to the Moscow Games. The Americans regarded the Soviet entreaty as outlandish bluster considering ABC's \$25 million contract with the Montreal Olympic Organizing Committee. They were also disturbed by Novikov's request for favorable political coverage on network news telecasts. Soviet and American officials parted company in the knowledge that MOOC would accept preliminary bids for U.S. television rights in the fall.²⁵

The IOC Monitors Negotiations for the Sale of U.S. Television Rights to the Moscow Olympics

While prospective Olympic athletes shifted their gaze to Moscow, Lord

Killanin endeavored to apprise himself of the status of the negotiations for U.S. television rights for the 1980 Summer Olympics. Killanin was no stranger to television negotiations as he had been forced to salvage discussions between the Montreal Olympic Organizing Committee and the European Broadcasting Union when a stalemate threatened coverage of the 1976 Summer Olympics in Western Europe. His intervention marked the first time that an IOC president involved himself directly in Olympic television negotiations.²⁶ Killanin's predecessor, Avery Brundage, had sought to protect the image of the Olympic Movement by ceding the right to negotiate television contracts, subject to IOC approval, to the Organizing Committees. Killanin favored this policy, but his experiences with the Montreal and Innsbruck Olympic Organizing Committees prompted him to think that the adoption of a higher IOC profile in negotiations was the lesser of two evils. Both Organizing Committees had proved obstinate in their attempts to circumvent IOC policies with respect to the distribution of Olympic television revenue. The Soviets were entitled to lead the negotiations, but Killanin wanted to make it clear that no contract could be signed without IOC approval. He requested information concerning the negotiations, at the same time proposing dates for IOC representatives to meet with MOOC personnel assigned the task of negotiating television contracts.²⁷

Killanin was concerned the Soviets might sign a preemptive contract prejudicial to the financial interests of the IOC, IFs, and NOCs. "I believe that Moscow might well try to obtain, as did Montreal, a greater share for hardware [technical services],"²⁸ Killanin informed Monique Berlioux. Following the lead of Willi Daume, president of the Munich Olympic Organizing Committee, who had been the first to win such a concession from the IOC, Montreal officials had signed a contract with ABC without IOC approval, which divided the contract's value (\$25 million) into two sums, one for television rights (\$12.5 million) and one for technical services (\$12.5 million).²⁹ Only the television rights were to be shared by the IOC, IFs, NOCs, and the Organizing Committee, while the Organizing Committee received the money reserved for technical services. This act violated Montreal mayor Jean Drapeau's pledge to submit the gross television money for distribution among the four parties in keeping with established IOC policy. When the IOC grudgingly agreed to this contract in exchange for a letter of agreement, which precluded this practice with future television contracts, the Montreal officials consented, but attached an addendum to the document, unbeknownst to the IOC and its legal advisers, that voided the condition and authorized the Montreal Olympic Organizing Committee to deduct 50% of each contract's value for technical services. The oversight on the part of the IOC lawyer who failed to detect the underhanded act had been a bitter financial pill for Killanin, the IOC, and its affiliated organizations?³⁰ Killanin did not want it to happen again.

Killanin's suspicions about Soviet intent were soon confirmed. Novikov and Soviet IOC member Vitaly Smirnov, pleading a lack of foreign currency, requested a review of the IOC's distribution policy. Specifically, they sought a distribution formula for U.S. television revenue more favorable to MOOC. Although the

IOC had been quite clear at the time that the Games had been awarded to Moscow that no repeat of the Montreal fiasco would be acceptable, Killanin intimated that the IOC would waive the standard distribution formula if it received a lump sum payment of \$15 million from the sale of the U.S. television rights. Killanin delegated authority in the matter to Monique Berlioux who, as IOC director, was responsible for the day-to-day operations of the IOC's Lausanne headquarters. "I leave it to your ingenuity to work this out," Killanin privately informed Berlioux.³¹

Daniel Mortureux and Georges Straschnov, the IOC's legal adviser and television consultant respectively, were dispatched to Moscow to discuss possible means of assisting MOOC while guaranteeing the receipt of an acceptable level of revenue by the IOC, IFs, and NOCs. When Mortureux and Straschnov met with their hosts, the Soviets requested the same arrangements granted to the Montreal Olympic Organizing Committee, whereby 50 percent of each television contract had been reserved for technical services. Expecting resistance, the Soviets suggested that a deduction of \$70 million (payable to MOOC) from the anticipated \$90 million U.S. television contract with the remaining \$20 million subject to allocation to the IOC, IFs, NOCs, and MOOC would represent a fair compromise.³² Remaining television contracts, pledged Novikov, would not contain a deduction for technical services. Further discussions resulted in an agreement, subject to Killanin's approval, that the Soviets could deduct \$50 million from the U.S. television contract contingent upon signing a deal with one of the U.S. networks for a minimum of \$80 million.³³ Killanin, following consultation with Finance Commission chairman Jean de Beaumont, accepted the terms.

Roone Arledge Provides the Answer for Lake Placid's Financial Difficulties

While Novikov was intent on extracting a premium price for U.S. television rights to the Moscow Olympics, LPOOC had been eager to conclude an agreement with a U.S. network because of its less than desirable fiscal status. The financial base of the Lake Placid community could not compare to that of a large metropolis, a fact that left organizers cash-strapped until government funding received approval. However, Killanin and the IOC did not feel so constrained from a financial perspective. Ronald McKenzie, LPOOC's president, was urged to delay financial negotiations with the U.S. networks until after the 1976 Innsbruck Winter Games.³⁴ It was the considered opinion of the IOC Executive Board that financial terms for the U.S. contract would be more favorable if LPOOC did not proceed expeditiously with negotiations.³⁵

LPOOC's financial status prompted its members to seek an adjustment in the IOC's method of distributing television funds to the IOC, NOCs, IFs, and the Organizing Committee. Norman Hess, legal counsel for LPOOC, emphasized the financial and logistical problems faced by LPOOC and the prospective Olympic network based in the United States. American television networks, observed Hess, were privately owned corporations receiving no

government subsidies.³⁶ The network that was granted domestic television rights would also have to accept the financial and technical responsibility of providing telecast facilities for the international television networks.³⁷ Expenditure required to fulfill this mandated task had been alleviated in Europe, and more recently in Canada (Montreal, 1976), through government grants. Without government assistance, the U.S. networks would have to factor this matter into their approach to negotiations. LPOOC desired a deduction for technical services from television contracts on these grounds.³⁸

For the IOC Finance Commission, Hess's plea for the deduction of technical services fees from television contracts was a tired refrain. Hess noted the arrangements reached with the Innsbruck and Montreal Olympic Organizing Committees pertaining to deductions for technical services in his discussions with members of the Finance Commission, while Art Devlin, LPOOC's vice president, claimed that LPOOC was unaware that the IOC retained the right to distribute funds in excess of those designated as the television rights payment in any contract.³⁹ Marc Hodler, an IOC Finance Commission member, quickly dispensed with Devlin's comment by citing LPOOC's response to the IOC's Radio-TV Questionnaire (distributed to all candidate cities for the 1980 Winter and Summer Games) that confirmed LPOOC's intent to transfer "full receipts for television" to the IOC.⁴⁰ Hodler countered Hess's entreaty with the offer of a loan. He also offered a second option. If LPOOC forwarded a lump sum payment of \$6.5 million to the IOC, LPOOC could retain all remaining television revenue.⁴¹ LPOOC studied Hodler's proposal while it considered preliminary negotiations with the U.S. television networks.

In the face of silence from CBS and NBC, by the fall of 1975, LPOOC decided to negotiate with ABC.⁴² Following the award of the 1980 Winter Games to Lake Placid in October 1974, representatives of CBS, NBC, and ABC inspected the Lake Placid site. All three networks had expressed "cautious interest" because of the lack of government assistance for the provision of technical facilities for international television networks.⁴³ Roone Arledge, ABC's head of sports television, was the only individual to maintain contact with LPOOC in the wake of these site inspections. Arledge provided periodic updates to LPOOC on the progress of its feasibility study and potential technical and financial requirements. Arledge's efforts were rewarded.

ABC's approach received an appreciative response from LPOOC. Lake Placid organizers needed to supplement LPOOC's cash flow. While the IOC continued to advise LPOOC to abstain from signing any deal for U.S. television rights until after the Innsbruck festival, LPOOC was determined to prepare a contract with ABC for immediate IOC approval at the close of the Innsbruck Games. LPOOC's intent on this matter was not shared with the IOC or rival U.S. networks.

Beaumont and Killanin Intervene in the Lake Placid Negotiations

The IOC was aware of LPOOC's decision to initiate financial discussions with an unspecified U.S. network (ABC) as early as October 1975; however, it was neither privy to the detailed nature of the financial negotiations nor to the substance of LPOOC's discussions with CBS, NBC, and ABC earlier in the year. Norman Hess requested a meeting with the IOC to discuss matters, but Monique Berlioux informed him that the IOC would address Lake Placid television issues during meetings prior to the 1976 Innsbruck Games.⁴⁴ Hess and his colleagues did not enjoy the luxury of delaying the consummation of an agreement.

Although ABC's rival networks did not express any serious interest in telecasting the Lake Placid Games to LPOOC until after the Innsbruck Games, Killanin was aware that CBS and NBC were still considering the project early in the new year. In January 1976, the two networks issued an appeal to Killanin. NBC and CBS asked Killanin to ensure that the Lake Placid and Moscow Olympic Organizing Committees "act within the spirit of United States legislation whereby prospective purchasers are to be granted an equal opportunity in order to preserve free competition between them."⁴⁵ Killanin replied that both Organizing Committees had been told not to engage in final negotiations without IOC approval.⁴⁶ The decision of NBC and CBS executives to discontinue contact with LPOOC following their site inspections had been short-sighted.

LPOOC's defiance, and its decision to continue the negotiation process with ABC, had been precipitated by financial exigency, but also reflected the poor communication between the IOC and Organizing Committees on the progress of television negotiations. A number of Organizing Committees, cognizant of the importance of television revenue to their efforts, had signed television contracts without IOC approval in an attempt to enhance their share of television revenue at the expense of their Olympic partners. This struggle over distribution of television revenue between the IOC and Organizing Committees was typical during Killanin's tenure.

When the IOC learned of ABC's dialogue with LPOOC, Daniel Mortureux and Luc Silance reminded LPOOC of its responsibilities according to IOC rules. During a meeting with Lake Placid representatives in Innsbruck prior to the start of the 1976 Winter Games, Mortureux reiterated that no contract could be signed without IOC approval. Silance restated the IOC's concern that ABC might attempt to limit the rights payment in light of its required expenditure on telecast facilities for international television networks. Silance urged Lake Placid organizers "not to cheat the IOC in this respect."⁴⁷

While they huddled with Lake Placid officials, Mortureux and Silance were not aware that a tentative agreement between ABC and LPOOC's TV-Marketing Committee had been finalized, subject to approval of the IOC, ABC's Board of Directors, and LPOOC (the latter two parties approved the contract in early March).⁴⁸ From an IOC perspective, the terms would prove unacceptable. ABC

agreed to pay LPOOC \$10 million, including a \$3 million payment to the IOC. Arledge had negotiated the inclusion of Canada in the telecast territory, a direct violation of IOC rules since all national television networks had the right to negotiate directly with the Organizing Committee rather than with a third party. Second, and even more disturbing, LPOOC and ABC had devised their own method of sharing revenue from the sale of television rights to international television networks. ABC was entitled to the first million dollars of the total revenue from the sale of television rights in all international markets outside of the United States. The second was payable to LPOOC, while each successive million was to be divided equally between ABC and LPOOC. The amount of money due to the IOC, and in turn, the NOCs and IFs, was unclear. The payments to ABC were intended to defray costs associated with its responsibilities as host broadcaster. An additional clause permitted ABC to match any offer received from rival U.S. television networks. Obviously, the IOC dictum, expressed by Mortureux and Silance, had fallen on deaf ears.

Jean de Beaumont resisted LPOOC's aggressive lobbying designed to extract his permission to sign a formal contract with ABC. He maintained that a contract could not be signed before IOC officials had viewed the document. Although reticent to grant IOC approval to the contract without being afforded the opportunity to peruse it, Beaumont suggested that LPOOC could negotiate an advance payment from ABC.⁴⁹ Arledge seemed willing to curry favor with LPOOC, and a \$250,000 payment was forwarded to LPOOC soon after the Innsbruck Games, refundable in the event that ABC did not receive the U.S. television rights contract.⁵⁰ It was not surprising that LPOOC wanted Beaumont's agreement before he reviewed the document in light of the detrimental effect the proposed contract would have on the IOC's financial interests.

Although Beaumont and members of the Finance Commission were not aware of the terms of the ABC/LPOOC accord, word filtered into Lausanne following the closing ceremonies in Innsbruck concerning the nature of the agreement. A correspondent who requested anonymity supplied Monique Berlioux with news of the ABC/Lake Placid contract and the negotiated \$10 million fee. The content of the missive received by Berlioux in early March indicated that it was likely written by an agitated NBC or CBS executive. The writer suggested that the IOC would receive more favorable financial terms, possibly \$15-20 million, if it invited bids from other networks.⁵¹ An alarmed Berlioux queried Ronald McKenzie for confirmation of the ABC/LPOOC contract.

Berlioux was concerned about LPOOC's disregard for the IOC's previous instructions regarding appropriate protocol for signing a contract for U.S. television rights. LPOOC had been told not to conclude an agreement without IOC approval. LPOOC, noted Berlioux, had not complied with the IOC's request for a copy of its records pertaining to its discussions with the three U.S. networks.⁵² Her ire was not ameliorated by the explanation of John M. Wilkins, one of LPOOC's primary fund-raisers, who defended LPOOC's pre-emptive signing of an agreement because its treasury was exhausted.⁵³ She responded that IOC

approval of the agreement would be withheld until granted an opportunity to review the document.⁵⁴

Meanwhile, NBC and CBS voiced their opposition to the negotiations conducted by ABC and LPOOC. CBS approached New York senators James L. Buckley and Jacob Javits with its assertion that ABC had been provided preferential treatment.⁵⁵ The IOC found itself in the center of a dispute among the U.S. television networks.

An investigation of the negotiation process conducted by Berlioux and Mortureux satisfied them that NBC and CBS had been given an opportunity to acquire the U.S. television rights.⁵⁶ Berlioux was swayed by the fact that NBC and CBS had failed to maintain any contact with LPOOC in the wake of their site inspections in 1975, while ABC had conducted a feasibility study and contacted the New York Telephone Company, which possessed the exclusive government franchise for the construction of telephone and microwave communication systems in the state of New York. A serious effort to gauge the financial requirements involved in telecasting the Lake Placid Games was not possible without discussing technical matters with this firm. ABC had also forwarded a tangible financial offer.⁵⁷

Despite the fact that Berlioux was satisfied with the negotiating opportunities afforded to NBC and CBS, the financial terms of the ABC/LPOOC agreement were unacceptable to the IOC. Berlioux and Mortureux recommended that LPOOC should reopen negotiations with Arledge in order to increase ABC's financial commitment by \$1 million. The money-sharing formula for revenue from the sale of television rights to organizations outside the U.S., a clause designed to defray ABC's costs, was disallowed.⁵⁸ During subsequent negotiations



Monique Berlioux. Photo courtesy of the International Centre for Olympic Studies, University of Western Ontario

between LPOOC and ABC, Arledge offered an additional \$1.5 million and consented to the removal of the money-sharing formula.⁵⁹ LPOOC suggested a pay schedule whereby the IOC would receive \$3.75 million and LPOOC would receive the remaining \$7.75 million.⁶⁰ The IOC's strategy of using potential NBC and CBS bids as leverage to enhance the financial terms of the ABC/LPOOC agreement worked.

Predictably, NBC and CBS, the spurned suitors, were not satisfied and maintained that they had not been afforded a fair opportunity to bid on the Lake Placid television rights. Both networks pleaded their case to the U.S. federal government. Fred B. Rooney, chairman of the Sub-Committee on Transportation for the Committee on Interstate and Foreign Commerce, informed the IOC that he had been apprised of a firm offer from NBC that exceeded ABC's revised offer. In considering LPOOC's request for federal financing, the U.S. Congress wanted assurance that LPOOC was attempting to maximize its revenue from the sale of television rights. Congress, wrote Rooney, also desired confirmation that the Organizing Committee was attempting to minimize potential financial losses.⁶¹ "It would seem that NBC and CBS have been engaged in congressional ear banging in addition to twisting arms of the IOC and the Lake Placid committee," commented Val Adams of the *New York Daily News*.⁶² Rooney's comments spurred Jean de Beaumont to attempt to appease Congress and increase the value of the U.S. television contract.

Seeing an opportunity to extract more money from the U.S. market, Beaumont received representatives of NBC and CBS in Paris at a meeting of the IOC Finance Commission.⁶³ Lake Placid organizers, who had expressed little willingness to deal with CBS or NBC despite the prospect of enhanced revenue, were unaware of this initiative approved by Killanin.⁶⁴ Beaumont deftly used the CBS and NBC proposals to pry an additional \$4 million from ABC's coffers, resulting in a \$15.5 million contract. ABC was permitted to match the highest competing offer even though NBC and CBS understood that their bids were not to be shared with ABC officials.⁶⁵ Although disturbed by Killanin's decision to entertain offers from NBC and CBS, Arledge decided to match NBC's \$15.5 million proposal rather than sue LPOOC for breach of contract. According to the terms of the ABC/LPOOC contract, the IOC had been scheduled to receive \$3 million. Beaumont's final negotiations with Arledge resulted in a guarantee of \$6.25 million for the IOC according to the standard method of distributing these funds mandated by the IOC.⁶⁶

Before the ink was dry on this agreement, Beaumont must have remembered that he was representing the image-conscious IOC, the brainchild of his compatriot Pierre de Coubertin who had voiced his disdain for commercialism. Beaumont was not comfortable with the potential public perception of the new financial agreement. He did not want the revised figures publicized because "the IOC might once again appear too interested in money."⁶⁷ Berlioux concurred, suggesting that the IOC did not "have to hide the figures, but they could be released if someone asked for them."⁶⁸ The joint press release issued by the IOC, LPOOC, and the United States Olympic Committee (USOC) did not mention

financial information. Instead, ABC's past service to the Olympic Movement, its preliminary study of technical requirements, and the bid opportunities granted to CBS and NBC were highlighted.⁶⁹

One might safely assume that LPOOC would be grateful to Beaumont since his involvement in the process had raised LPOOC's share of U.S. television revenue from \$7 million to \$9.25 million. This was far from the truth. Wilkins and Berlioux engaged in a sternly worded exchange of correspondence concerning the division of the revenue from the revised ABC contract. Wilkins



Count de Beaumont. Photo courtesy of the International Centre for Olympic Studies, University of Western Ontario

understood the IOC's need for a steady income from television, especially when taking into account such factors as inflation and depreciation of the value of the U.S. dollar against the Swiss franc.⁷⁰ However, Berlioux had stated as recently as April 1976 that the IOC would not accept less than \$4 million as its share of the U.S. television contract.⁷¹ Wilkins questioned the IOC's need for \$6.25 million, the sum payable to the IOC as a result of the most recent negotiations between Arledge and Beaumont, and appealed for an even larger share of the new contract.

Beaumont and Hodler, noted Wilkins, had agreed the previous year that mitigating factors, especially Washington's reluctance to provide government funds to the U.S. networks, rendered the standard method of dividing television revenue impractical.⁷² He also expressed his opposition to the IOC's acceptance of bids from NBC and CBS in May: "We mutually agreed at Lake Placid that while bidding was possible, commercialization of the Olympics was not a desirable goal for the IOC or for [LPOOC]." Wilkins was also disturbed that the IOC had not permitted members of LPOOC to attend these sessions. He asked for some redress of his concerns.⁷³

Berlioux bristled upon reading Wilkins's missive and issued a charged reply.⁷⁴ The IOC's problems with NBC and CBS, she observed, had been caused by LPOOC. Berlioux resented the failure of LPOOC to adhere to guidelines established by Killanin and the IOC Finance Commission, specifically its decision to sign an agreement with ABC before presenting it to the IOC for review. She maintained that the \$4 million figure discussed in April represented a starting point for negotiations and rebuffed Wilkins's request for a meeting. "I am afraid that at the moment I work for the IOC and am not under orders from LPOOC,"

responded Berlioux. Despite all this, she realized the terms of the U.S. contract, developed after ABC had officially received the U.S. television rights, needed to be revised. A conference was subsequently scheduled to coincide with the meeting of the IOC General Session in Barcelona in October.⁷⁵

The discussion in Barcelona was directed toward building a consensus regarding the wording of the forty-page contract prepared by ABC.⁷⁶ The meeting brought together Berlioux; Mortureux; Jim Spence, vice president of ABC sports; Julian Roosevelt, an American member of the IOC; and Georges Straschnov, a former executive with the European Broadcasting Union (EBU) and one of the IOC's advisers on television matters. With regard to its primary purpose, the meeting was largely successful. Many points of discussion involved terminology. The IOC, however, was adamant that Canada should be removed from the telecast territory defined within the contract. Spence conceded this point without demanding a reduction in ABC's payment. Nevertheless, no agreement on the method of distributing the \$15.5 million supplied by ABC was reached by LPOOC and the IOC. Further discussion of this contentious issue was deferred.

The friction evident between Berlioux and Wilkins resurfaced during a series of meetings in Lake Placid in early December. LPOOC refused to sign the ABC contract, according to Wilkins, unless the IOC granted LPOOC a \$1 million interest-free loan and a \$1 million donation.⁷⁷ He enlisted the support of IOC member Julian Roosevelt and F. Don Miller, executive director of the United States Olympic Committee (USOC). Miller emphasized the need for the IOC to assist LPOOC because U.S. public opinion had been aroused as a result of the projected demands of Soviet organizers of the 1980 Summer Games.⁷⁸ Sources within the American television industry revealed that the U.S. network that acquired television rights to the Moscow Games would have to invest between \$70 and \$100 million.⁷⁹ Miller also noted that the newly elected Carter administration, reacting to an agitated U.S. public regarding the U.S. television rights fee contemplated for the Moscow Games, was considering the imposition of a 30 percent tax on the contracting U.S. network's payment to MOOC and future Organizing Committees abroad. The USOC, commented Miller, had made no decision on whether it would support the initiative. However, Miller favored the establishment of IOC legislation to grant 10% of the television revenue from each Olympic festival to the National Olympic Committee of the host country. Berlioux characterized Miller's remarks as "hidden threats" and told Wilkins that "neither blackmail nor pressure"⁸⁰ were acceptable to the IOC.

Beaumont was considerably more sympathetic to LPOOC's demands than Berlioux was. "My personal feeling," Beaumont wrote Killanin, "is that we ought to appreciate somehow the great financial income that we have had from the United States."⁸¹ The IOC's share of the proceeds from the sale of the U.S. television rights for the Lake Placid Winter Games represented a 69% increase of its share of the total receipts from the sale of world television rights to the 1976 Innsbruck Winter Games, Beaumont informed the IOC president. The USOC had pledged to the IOC a minimum of \$1.6 million as its portion of television revenue from other regions of the world. If the IOC accepted LPOOC's

terms, Beaumont noted, it was guaranteed a minimum of \$6.85 million. “We ought to make a good will gesture,” he concluded. Killanin was swayed by Beaumont’s argument.⁸² With the USOC’s agreement to abandon any plan to lobby U.S. Congress for a 30 percent tax on U.S. television rights to the Moscow Games and relinquish its claim to 10 percent of the Lake Placid television revenue, the IOC, LPOOC, and the USOC reached a settlement.

The Moscow Walkout

The resolution of the fiscal issues surrounding the U.S. television contract for the Lake Placid Winter Games occurred mere days before the ongoing negotiations between MOOC and U.S. television networks took an interesting turn. Daniel Mortureux and Georges Straschnov had obtained Killanin’s approval of Novikov’s plan to maximize the contract value of the U.S. television rights.⁸³ Novikov informed the U.S. networks that a minimum bid of \$80 million was required. In the event that more than one network agreed to this amount, the competitors would be required to submit bids increased by 5 percent until one network remained unchallenged. While Killanin and Novikov cherished the prospects for revenue, the U.S. networks, which had submitted earlier bids in excess of \$70 million, resented the Soviet attempt to drive up the price. The payment schedule outlined by the Soviets also proved distasteful. MOOC wanted \$50 million paid within two years, a demand that placed an unacceptable burden upon the networks.⁸⁴ The “big three” U.S. networks refused to play Novikov’s game.

Summoned to Moscow for the television rights auction in December 1976, Roone Arledge, Robert Wussler (president, CBS), and Robert T. Howard (president, NBC) chafed under Novikov’s heel. During a pre-auction reception at Moscow’s Hotel Sovietskaya, Arledge, Wussler, and Howard discussed MOOC’s financial demands and carefully structured bidding plan.⁸⁵ Later, the three Americans resolved to approach the U.S. Justice Department with an inquiry regarding the legality of a pool arrangement whereby the networks would share the cost of telecasting the Moscow Olympics.⁸⁶ The idea had been floated earlier in the year, but CBS had resisted because network executives believed that they were on the verge of securing the exclusive television rights.⁸⁷ If the Justice Department ruled in favor of the networks, in the process setting aside a strict interpretation of the Sherman Anti-Trust Act, the Soviets realized that the American networks would enjoy an improved bargaining position. Recognizing the Americans’ intent, Novikov leveled an ultimatum: “If any of you leave Soviet soil this day, you will never, never be allowed to return.”⁸⁸ Unfazed by Novikov’s threat, Arledge, Wussler, and Howard promptly departed Novikov’s office resolute to act in good faith by showing each other their airline tickets for their departure from Moscow.⁸⁹

Cold War rhetoric and in-bred hostilities pervaded this encounter between Moscow officials and U.S. television executives. Discussing the often strained meetings between U.S. and Soviet political leaders during the Cold War, Karl

Ryavec, author of *United States Soviet Relations*, observed that “negotiations and interactions between rivals are always difficult, but they are especially troublesome and frustrating if the parties to the negotiations think differently, have different conceptions of normalcy, govern themselves and run their economies by opposing principles, and view each other as either enemies or untrustworthy or odd.”⁹⁰ Ryavec’s assertion also applies to the difficulties inherent in the negotiations between Soviet officials and U.S. television executives irrespective of Novikov’s exhibited grasp of capitalism. NBC’s Carl Lindemann was insulted that Novikov conducted business in a manner that reflected a belief that “there was no limit to



Ignati Novikov. Photo courtesy of the International Centre for Olympic Studies, University of Western Ontario

the competitive zeal of the networks.” “But what bothered me even more,” said Lindemann, “was the fact that this wasn’t just another ball game... this was the United States against the Soviet Union—and we couldn’t let this happen.”⁹¹ While NBC officials had been miffed by Novikov’s auction strategy, CBS executives were disgusted by his disregard for an earlier agreement. Robert Wussler, who had been promoted to the office of CBS president, was distressed because CBS chairman William S. Paley’s end-run, a handshake agreement with Novikov during a private meeting in Moscow one month earlier, had been conveniently forgotten. When Wussler confronted Novikov regarding his memory lapse, his Soviet host replied, “we are here to get the most money possible... this is our [sole] purpose.” Wussler advised fellow

CBS executives of Novikov’s duplicity and suggested that CBS move toward a pool arrangement. After hurried communication among NBC, CBS, and ABC officials in New York, Wussler raised the specter of a staged walkout with Arledge and Howard.⁹²

The Americans’ attempt to turn the tables on Novikov provided them with a measure of satisfaction. Arledge later reported that “he could practically see the steam coming out of [Novikov’s] ears” when informed of their impending departure.⁹³ Somewhat rattled by this unforeseen change of fortune, Novikov offered Arledge the exclusive television rights during a private meeting, but Arledge, who had decided to attend the pre-arranged meeting, turned him down.⁹⁴ William Paley received a telex from Novikov indicating the continued viability

of the CBS/MOOC agreement negotiated in November.⁹⁵ Novikov's actions betrayed a level of panic.

At this point another prospect surfaced. Novikov decided to sign a contract, subject to IOC approval, with a fourth U.S. company involved in negotiations. The Soviet American Trading Company (SATRA), a company specializing in East/West trade, announced that it had concluded a "protocol calling for long-term cooperation" with MOOC.⁹⁶ Over the previous fourteen months, SATRA had studied the technical arrangements for telecasting the Moscow Games, and its chairman, Ara Ozetemel, sought advice from executives from U.S. entertainment industry giants Metro-Goldwyn-Mayer and Viacom.⁹⁷ Ozetemel was convinced that he could rent the required equipment, hire personnel, and establish a temporary network of independent U.S. networks.⁹⁸ There was some mystery concerning this agreement. SATRA believed that it had acquired the television rights. Allen E. Starodub, a MOOC spokesman, maintained that the television rights had not been sold.⁹⁹ Apparently, the "contract" was simply a letter of intent to finalize terms for the acquisition of U.S. television rights, assuming that the IOC granted its approval.

The "big three" U.S. networks regarded the SATRA/MOOC accord as a face-saving act by the Soviets triggered by the recent breakdown in negotiations. "I don't think the story is over," commented Wussler.¹⁰⁰ Arledge was certain that SATRA would not televise the Moscow Games.¹⁰¹ He was also aware that Lothar Bock, a West German employed as a negotiator by CBS, was continuing discussions with MOOC.¹⁰² Bock was CBS's wild card at the negotiating table.

In the fall of 1976, Bock had been instrumental in helping CBS obtain a tentative agreement with MOOC for the U.S. television rights. He was a rare and valuable commodity. The Soviets trusted him. Conversely, MOOC representatives were wary of American negotiators. Bock had ingratiated himself with Soviet officials over the previous ten years through various projects such as facilitating performances of Soviet entertainment troupes and musicians in western Europe. His efforts resulted in the handshake agreement between William Paley and Novikov that the latter subsequently decided not to honor,¹⁰³ instead calling the U.S. networks to Moscow for the auction.

Bock's activities following the "Moscow walkout" raised Roone Arledge's anxieties. He became suspicious that CBS, through the shadowy West German, was pursuing separate negotiations with MOOC while the U.S. Justice Department considered the legality of pool coverage of the Olympic Games. When questioned by Arledge, CBS's president, Robert Wussler, assured him that Bock was acting without his direction or approval. Arledge was not satisfied and demanded that the Soviets be apprised of this situation. During the discussions between Arledge and Wussler, Bock returned to New York with a letter outlining an \$81 million contract. CBS officials pondered the situation, deciding against accepting the deal because of their distrust of the Soviets and potential embarrassment if Bock's unauthorized efforts became public knowledge.¹⁰⁴ CBS also decided to remove itself from any involvement in a pool arrangement with

the other networks and, after marathon discussions, opted to remove the company from any involvement in telecasting the Moscow Games.

Bock, apprised of CBS's "bail-out," was frantic. He was still under contract with CBS, but now he was unable to use his connections with the Soviets to his personal financial advantage. After failing to persuade Paley to reconsider, Bock asked for and received release from his contract. He wasted little time in contacting NBC.¹⁰⁵

Meanwhile, Novikov faced mounting criticism within official circles in Moscow. The U.S. television situation remained unresolved, and he was accused of endangering a vital source of revenue. He was anxious to conclude an agreement.¹⁰⁶ SATRA's advantage had dissipated, since the Soviets wanted the Games telecast by an established U.S. network.¹⁰⁷ NBC became the prime beneficiary of two circumstances: Novikov's desperation and Bock's free agent status.

During a breakfast meeting at Manhattan's Plaza Hotel, Bock promised Carl Lindemann he could deliver the Moscow television rights to NBC. NBC and ABC were free to pursue the U.S. television rights in light of CBS's decision to withdraw from any proposed pool coverage. Once Lindemann was convinced that Bock had a sound agreement with Novikov, he offered Bock a negotiating fee of \$1 million, along with other contractual incentives. Within 48 hours a NBC delegation led by NBC's president, Robert Howard, was bound for Moscow.¹⁰⁸

Startled by this development, Rooney Arledge hurried to the airport determined to salvage the situation. Upon his arrival in Moscow, Arledge offered the Soviets \$85 million.¹⁰⁹ NBC's tentative agreement, reached during a series of telephone conversations between NBC and MOOC officials prior to Howard's departure for Moscow, outlined a payment schedule of \$82 million. Howard, compromised by Arledge's appearance in Moscow, matched ABC's offer. The Soviets rubbed their hands with delight as they looked upon the additional \$3 million as a bonus. NBC's payment schedule was favored because it called for a greater amount of money to be paid within two years. Arledge was embittered by the decision.¹¹⁰

Alerted to these discussions, Monique Berlioux booked passage to Moscow, arriving on the heels of the final negotiations. On behalf of the IOC, Berlioux approved the \$85 million NBC/MOOC contract.¹¹¹ Killanin, forced to follow developments of the past month and a half via press reports, was relieved about the negotiations with NBC.¹¹² The Soviets had been reticent to share information with the IOC following the dramatic walkout staged by the U.S. networks in Moscow. The IOC was not favorably disposed to any arrangement with SATRA because of its obvious inexperience in telecasting. Even though the IOC, MOOC, and NBC were satisfied with the new contract, SATRA refused to retreat quietly from the scene.

Within two weeks, SATRA filed a \$275 million lawsuit against NBC. Ozetomal's organization cited interference with contract, conspiracy, international impairment of economic relations, conversion of contract rights, unfair

competition, and restraint of trade.¹¹³ The IOC was absolved from any responsibility because MOOC had signed the letter of intent with SATRA without IOC knowledge or guidance; however, Novikov's dealings resulted in the IOC's expenditure of \$32,000 in legal fees.¹¹⁴ Ozetemel agreed to an out-of-court settlement involving a \$3 million payment from MOOC as well as NBC's concession of video cassette and official film distribution rights to SATRA.¹¹⁵

Novikov Seeks Financial Concessions from the IOC

With the U.S. contract situation settled, the Soviets maneuvered for financial concessions from the IOC. Despite a firm agreement with the IOC that precluded the deduction of a technical services fee from television contracts exclusive of the NBC contract, the Soviets urged the IOC to reconsider. Novikov asked the Executive Board to sacrifice the IOC's share of the pending contract with the European Broadcasting Union (EBU), the state-run network for Western Europe, because of MOOC's shortage of foreign currency.¹¹⁶ The television money, replied Killanin, also belonged to the NOCs and IFs.¹¹⁷ Jean de Beaumont, chairman of the IOC Finance Commission, was also approached by the Soviets in light of the IOC's decision to grant LPOOC a \$1 million loan and a \$1 million grant. The Soviets, Beaumont told his Finance Commission colleagues, were not satisfied with the \$50 million reserved for technical services in the NBC contract.¹¹⁸

Later, Novikov tendered a second proposal geared toward enhancing MOOC's share of revenue from future television contracts. The Soviets and EBU settled on a \$5.95 million contract, the price being contingent on MOOC supplying EBU with six channels. However, due to financial constraints, MOOC claimed it could provide only three channels. MOOC petitioned the IOC Executive Board to set aside \$950,000 in order to facilitate the provision of six channels. The remaining \$5 million, promised MOOC, could be divided according to the Rome Formula. MOOC reemphasized that if the IOC was not prepared to concede, EBU would demand a reduction of the rights fee.¹¹⁹ Although Beaumont and New Zealand's Lance Cross, a member of the IOC Television Sub-Committee, opposed any concession,¹²⁰ the Executive Board agreed to the proposal, with one proviso.

Vitaly Smirnov, a member of the IOC Executive Board and the vice president of MOOC, had informed the IOC that the Eastern European television network, Intervision (OIRT), requested free access to the Moscow Olympics. Smirnov noted that OIRT-member nations exchanged programming free of charge.¹²¹ Killanin was not prepared to cede the television rights to Eastern Europe without payment.¹²² The Montreal Olympic Organizing Committee had granted the domestic television rights (Canadian Broadcasting Corporation) for the 1976 Summer Olympics for one dollar, but the IOC had demanded compensation. The IOC subsequently received \$300,000 from Montreal organizers. The IOC Executive Board accepted MOOC's contract with EBU under the condition that it receive \$500,000 from the sale of Eastern European television rights.¹²³ MOOC duly signed an agreement with OIRT which included a \$500,000 guarantee

payable to the IOC. Unfortunately, while the contract had a value of \$1.5 million, rubles were the designated currency.¹²⁴ The IOC accepted the contract with reluctance because the negligible value of the ruble on Western currency exchange markets forced the IOC, NOCs, and IFs to spend their portion of the revenue in the Soviet Union.

The Impact of Geo-Political Developments on NBC's Agreement

With the Moscow Games less than seven months away, the Soviet Union occupied Afghanistan, which, in the end, served to prevent U.S. participation in Moscow and unravel the complex television negotiations that had been concluded.¹²⁵ Kremlin leaders, concerned about president Hafizullah Amin's desire to move Afghanistan away from the Soviet sphere of influence, determined that he had to be removed from power.¹²⁶ On December 27, 1979, Soviet troops launched an assault on Amin's residence. Amin was executed following the confrontation between Soviet troops and the presidential guard, and the Soviets installed Babrak Karmal as the leader of a puppet government. During the ensuing ten years, Soviet troop build-up in the region as a result of Afghani resistance reached 105,000 soldiers.¹²⁷

Concerned about Soviet expansion in the Persian Gulf and perceptions of his own foreign policy record, U.S. president Jimmy Carter sought means to counter the Soviet action. While cancellation of planned Strategic Arms Limitations Treaty (II) talks and economic sanctions represented the initial diplomatic response, Carter's administration determined that a boycott of the Moscow Olympics would be a severe blow to Soviet prestige.¹²⁸ In January 1980, Carter stated that if Soviet troops remained in Afghanistan after February 20th, U.S. athletes would not participate in the Moscow Olympics. Carter's administration sought support from foreign governments to press the IOC to move, delay, or cancel the Moscow Games. U.S. State Department personnel embarked on a series of junkets to foreign capitals in search of support. Carter's policy sent shock waves through Lausanne, prompting Killanin to initiate a mission of shuttle diplomacy between Moscow and Washington. His efforts were unsuccessful. In the end, 62 countries declined to participate in Moscow and only half of the number of athletes expected to participate competed.¹²⁹ The U.S.-led boycott also posed financial problems for the IOC.

Four months prior to the opening of the Moscow Games, Carter instructed the Department of Commerce (DOC) to prohibit NBC from forwarding payments to MOOC. In May, this regulatory action was extended to payments due to the IOC. NBC's contract stipulated payments of \$22.33 million to MOOC and \$12.67 million to the IOC for television rights. When DOC's decrees came into effect, MOOC had received approximately \$10.66 million and \$6.83 million had been sent to the IOC. NBC confirmed that it would forward monies due to the IOC and MOOC upon the lifting of the ban.¹³⁰ Despite the IOC's assurance that no portion of NBC's payment would be forwarded to Moscow, the Carter

administration failed to take action following the Moscow Games.¹³¹ In August 1981, the Reagan administration permitted NBC to fulfill its contractual obligations to the IOC.¹³² The IOC received \$5.82 million, representing a principal payment of \$4.83 million, plus interest.¹³³ NBC's total payment to the IOC was \$1 million short of the original sum; however, this amount had been contingent upon the participation of the U.S. Olympic team.¹³⁴

Conclusion

Between 1976 and 1980, the IOC reassessed its approach to television rights negotiations. IOC president Lord Killanin and the IOC Executive Board and Finance Commission were troubled by the lack of communication between the IOC and Olympic Organizing Committees, including LPOOC and MOOC, that had been in operation during the 1970s. The IOC permitted these Organizing Committees to negotiate on its behalf, while delegating representatives to attend some negotiations and periodically outlining its financial expectations. However, the Organizing Committees provoked disputes by signing contracts with major television networks before submitting the documents to the IOC for approval. Since the late 1960s, differences often arose during discussions between Organizing Committee officials and IOC representatives concerning deductions for technical services.

During a visit to the United States in January 1977, IOC director Monique Berlioux conferred with representatives of the three major U.S. networks and reached the consensus that the IOC should conduct future negotiations for television rights, while the Organizing Committees should administer to contractual discussions for technical services.¹³⁵ The IOC's legal advisers, however, urged the IOC to adopt a modified approach. Although IOC lawyers understood the IOC's frustrations with respect to management of television negotiations by recent Organizing Committees, the plan articulated by Berlioux and U.S. network officials was flawed. Television networks could conclude financial arrangements for technical services with the Organizing Committees and subsequently plead a lack of available funds to IOC representatives charged with the responsibility of negotiating terms for the sale of Olympic television rights. The Finance Commission was told that the networks might use this strategy to limit their expenditures on television rights, thereby reducing the IOC's potential income.¹³⁶ Accepting the advice of its legal staff, the IOC recognized the need for a refinement of Berlioux's proposal. The IOC adopted a policy that outlined joint negotiation of television contracts by the IOC and Organizing Committees.¹³⁷ As a result of this decision rendered by the General Session in 1977, the IOC reserved a chair at the negotiating table for the television rights to the 1984 Olympic Games.

During the course of the 1980s, the IOC learned that joint negotiation did not eliminate the possibility of conflict with representatives of the Organizing Committees. By the end of the 1980s, the IOC had abandoned joint negotiation in favor of exerting sole authority over the negotiation of television contracts. In

this regard, the Lake Placid and Moscow negotiations for U.S. television rights represented important stages in the evolution of the IOC's relationship with television networks in the United States and throughout the world.

While Lord Killanin, and Avery Brundage before him, preferred a policy that kept the IOC in the background regarding negotiations for television contracts, Killanin altered the IOC's approach to television negotiations in the 1970s. Unlike Brundage, Killanin was open to change as evidenced by his efforts at shuttle diplomacy during the boycott era, his determination to liberalize outdated amateur regulations, and his belief that representatives of the NOCs and IFs should be seen and heard in Lausanne. He was able to adopt a more practical philosophy when he perceived the need to protect the IOC's interests in light of problems encountered with Organizing Committees. Brundage had soured on television revenue by the time of his retirement and sought to convince his colleagues that the Olympic Movement and the IOC could do without television money. His disappointment with television had much to do with the actions of the Organizing Committees and the claims of the IFs and NOCs for television money, which precipitated strained relations among members of the Olympic family. In contrast, Killanin's presidential agenda included a dedicated effort to improve the IOC's financial status, and television revenue figured prominently in this regard. Killanin provided significant latitude to Beaumont, Berlioux, and IOC advisers to pursue the IOC's fiscal objectives, but he remained a keen observer. Further study of the leadership provided by Beaumont and Berlioux in this area during Killanin's presidency would prove useful to Olympic historians interested in charting the corporatization of the Olympic Movement. In summary, repeated problems with members of the Innsbruck, Montreal, Lake Placid, and Moscow Olympic Organizing Committees, who circumvented the IOC negotiations policies, along with Killanin's determination to improve the IOC's financial status, heralded the change in the IOC's approach to television negotiations.

With respect to major issues of Olympic governance such as revenue generation, athlete eligibility, and the organization's perception of its role within political discourse, the IOC has negotiated a hairpin turn since Avery Brundage's resignation as IOC president in 1972. While Juan Antonio Samaranch is regarded, with a good deal of justification, as the individual responsible for this change in direction, it should not be forgotten that Killanin initiated the turn. Samaranch has left an indelible mark on the Olympic Movement, one that will be the subject of much debate within the historical community in the twenty-first century, and should rightfully be considered the individual who determined the extent to which the IOC altered its direction. Although some IOC members concluded during Killanin's presidency that the Irishman lacked fundamental leadership qualities such as forcefulness and decisiveness, his approach to revenue generation, politics, and eligibility provided the IOC with a philosophical bridge linking the tenures of the arch-conservative idealist from Chicago and the pragmatist from Barcelona.¹³⁸

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1. For background on the history of the Cold War and diplomatic relations between the United States and the Soviet Union, see for instance Richard Crockatt, *The Fifty Years War: The United States and the Soviet Union in World Politics, 1941-1991* (London: Routledge, 1995); Robert McGeehan, "Sparring Partners: The Record of Superpower Relations," in Michael Pugh and Phil Williams, eds., *Superpower Politics: Change in the United States and the Soviet Union* (Manchester: Manchester University Press, 1990), 9-20; and Thomas G. Paterson, *Soviet-American Confrontation: Postwar Reconstruction and the Origins of the Cold War* (Baltimore: Johns Hopkins University Press, 1973).
2. While ABC reported little profit from the experience, American television executives understood that the status involved in serving as the Olympic network in the United States was significant. ABC reported that it had been able to break-even with its coverage in Montreal and show a \$1 million profit from its efforts in Innsbruck. Robert Joseph Lucas, "A Descriptive History of the Interdependence of Television and Sports in the Summer Olympic Games, 1956-1984" (M.A. Thesis, San Diego State University, 1984), 44-54; Benjamin G. Rader, *In Its Own Image: How Television Has Transformed Sports* (New York: The Free Press, 1984), 117; and Harry F. Waters (with Susan Malsch), "Olympic Race," *Newsweek* 88 (13 December 1976), 66. ABC was particularly adept at using Olympic telecasts as a promotional tool for upcoming fall programming.
3. Soviet aspirations to use the opportunity of hosting an Olympic festival for promotional purposes paralleled the mission of past Organizing Committees, and in some cases, government agencies. For instance, National Socialists in Berlin cherished the platform for promoting the "New Germany" in 1936, Japanese officials realized that hosting the 1964 Tokyo Games could facilitate the nation's return to the community of nations, while Austrians considered the 1964 Innsbruck Winter Games would fuel the tourism trade in the region. In the era of global television the medium, Rader notes, "provided host cities opportunities to present themselves as showcases of modernity." Benjamin G. Rader, *American Sports: From the Age of Folk Games to the Age of Televised Sports*, Third edition (Englewood Cliffs, NJ: Prentice Hall, 1996), 280-281. For an historical account of the nexus of Soviet sport and political goals, see Victor Peppard and James Riordan, *Playing Politics: Soviet Sport Diplomacy to 1992* (Greenwich, CT: JAI Press Inc., 1993).
4. For negotiations dealing with the 1972 and 1976 Olympic festivals, readers are referred to Stephen R. Wenn, "Growing Pains: The Olympic Movement and Television, 1966-1972," *Olympika: The International Journal of Olympic Studies* IV (November 1995): 1-22; and Wenn, "Television Rights Negotiations and the 1976 Montreal Olympics," *Sport History Review* 27 (November, 1996): 111-138. There is an extensive amount of literature dealing with television and the Olympics. Interested readers might consult Richard K. Alaszkiwicz and Thomas L. McPhail, "Olympic Television Rights," *International Review for the Sociology of Sport* 21 (2/3, 1986): 211-228; Sebastian Coe, "Olympism Facing the Challenge of the Media," *Olympic Message* 8 (December 1984): 30-33; Willi Daume, "Every Spectacle Has its Price," *Olympic Message* 8 (December 1984): 9-13; Denis Echard, "Television: Inventory for the New OCOGs," *Olympic Review* 235/236 (May/June, 1987): 264-268; Richard Gruneau, "Television, the Olympics, and the Question of Ideology," in Roger Jackson and Thomas McPhail, eds., *The Olympic Movement and the Mass Media: Past, Present, and Future Issues* (Calgary: Hurford Enterprises Ltd., 1984), 7/23-34; IOC *Television Workshop* (Lausanne: IOC, 1987); Jarle Hoysaeter, "The Games Must Go On!: But With What Kind of Radio and Television Coverage?" *Olympic Review* 112 (February 1977): 91-94; Frank W. King, *It's How You Play the Game: The Inside Story of the Calgary Olympics* (Calgary: Scripf/The Writer's Group, 1991); James F. Larson and Heung-Soo Park, *Global Television and the Politics of the Seoul Olympics* (Boulder, CO: Westview Press, 1993); Robert Z. Lawrence (with Jeffrey D. Pellegrum) "Fool's Gold: How America Pays to Lose in the Olympics," *Brookings Review* (Fall 1989): 5-10; John McMillan,

“Bidding for Olympic Broadcast Rights: The Competition Before the Competition,” *Negotiation Journal* 7 (July 1991): 255-263; Miguel de Moragas Spa, Nancy K. Rivenburgh, and James F. Larson, *Television in the Olympics* (London: John Libbey and Company Ltd., 1995); Horst Seifart, “The Olympic Value of TV: World-Wide Coverage,” *Sport and Money Bulletin* 7 (Baden-Baden: Olympisches Komitee für Deutschland, 1979): 46-53; Peter Ueberroth (with Richard Levin and Amy Quinn), *Made in America: His Own Story* (New York: William Morrow and Company Inc., 1985); Stephen R. Wenn, “A History of the International Olympic Committee and Television, 1936-1980” (Ph.D. Dissertation, The Pennsylvania State University, 1993); Wenn, “Lights! Camera! Little Action: Television, Avery Brundage, and the 1956 Melbourne Olympics,” *Sporting Traditions* 10 (November, 1993): 38-53; Wenn, “An Olympian Squabble: The Distribution of Olympic Television Revenue, 1960-1966,” *Olympika: The International Journal of Olympic Studies* III (November, 1994): 27-47; and Gary Whannel, “The Television Spectacular,” in Alan Tomlinson and Gary Whannel, eds., *Five Ring Circus: Money, Power, and Politics at the Olympic Games* (London: Pluto Press, 1984), 30-43. For general reference works on sports television, see Steven Barnett, *Games and Sets: The Changing Face of Sport on Television* (London: British Film Institute, 1990); Joan Chandler, *Television and National Sport: The United States and Great Britain* (Urbana: University of Illinois Press, 1988); John Goldlust, *Playing for Keeps: Sport, the Media, and Society* (Melbourne: Longman Cheshire, 1987); David A. Klatell and Norman Marcus, *Sports for Sale: Television, Money, and the Fans* (New York: Oxford University Press, 1988); Terry O’Neil, *The Game Behind the Game* (New York Harper & Row, 1989); Benjamin G. Rader, *In Its Own Image: How Television Has Transformed Sports*, and Jim Spence (with Dave Diles), *Up Close and Personal: The Inside Story of Network Television Sports* (New York: Atheneum Publishers, 1988).

5. Wenn, “Television Rights Negotiations and the 1976 Montreal Olympics,” 120-121.
6. The most difficult negotiations during the era of joint negotiation involved discussions for U.S. television rights to the 1988 Seoul Olympics. Korean organizers were unrealistic with respect to what the U.S. market would yield; however, these expectations had been established, in part, from Berlioux’s observation that the IOC expected between \$500 million and \$700 million for U.S. television rights. They also believed that the \$309 million paid by ABC for the rights to the 1988 Calgary Winter Games translated into such a high figure for Seoul based on the standard ratio between Winter and Summer Games rights fees established in past negotiations. Richard W. Pound, *Five Rings Over Korea* (Boston: Little, Brown and Company, 1994), 126-127.
7. A former Olympian (Rome, 1960), Richard Pound is a Montreal tax lawyer who was appointed to the IOC in 1978. He, more than any other single IOC member, has been responsible for carrying out Samaranch’s agenda with respect to marrying the Olympic Movement to corporate interests. He is an IOC vice president, and chairman of two significant commissions: 1) Television rights negotiations and 2) New Sources of Financing. Un-Yong Kim has served as an IOC member since 1986. He is an IOC vice president, chairman of the IOC Radio and Television Commission, and president of the World Taekwondo Federation. Marc Hodler, a Swiss lawyer, has served as President of the Federation Internationale de Ski since 1951, and as a member of the IOC since 1963. He is an IOC vice president and chairman of the IOC Finance Commission. He served on the Finance Commission from 1967 until 1988, before assuming its leadership in 1989. *Olympic Biographies* (Lausanne: IOC, 1995), 11, 35, 55.
8. Lord Killanin’s presidential rival, Count Jean de Beaumont, served as a member of the IOC from 1951 until 1990. Beaumont’s banking experience proved very useful to Killanin who permitted Beaumont to work with significant autonomy regarding supervision of television contract negotiations. His advice and counsel was valued and rarely challenged by Killanin. He piloted the IOC Finance Commission between 1972 and 1988, but also served as a member of that commission at the time of its inception in 1967. *Ibid.*, 104. Monique Berlioux, a former Olympian, was hired by the IOC in the late 1960s. She was appointed director of the IOC in 1969 and in that capacity assumed control of the day to

- day operation of the IOC's headquarters in Lausanne. She was given much power by the aging Brundage and brought a needed measure of efficiency to the IOC's office; however, she proved too demanding for some office personnel resulting in significant turnover. While much of her time was spent dealing with the media and organizing IOC session agendas, Berlioux travelled extensively with IOC legal and financial advisers during the 1970s as she also supervised the negotiation of television contracts. Lord Killanin, *My Olympic Years* (London: Secker and Warburg, 1983), 79-80. Because Brundage and Killanin served as absentee Presidents, Berlioux's power base expanded. "Over a period of twenty years," writes David Miller, "Berlioux not only had her feet effectively under the President's table, but could and did lay her hand upon every doorknob, every appointment, every contract, every single decision that was made." While Berlioux had supported Samaranch's candidacy, she believed naively that she would maintain the same level of authority under the Spaniard. Her growing conflict with Samaranch resulted in her being jettisoned at the IOC Session in Berlin in 1985. Jean de Beaumont observed that, "you couldn't have two crocodiles in the same pond, and Samaranch as the boss didn't want another one behind him." "Until he arrived," concluded Beaumont, "she was the only man in the IOC." David Miller, *Olympic Revolution The Biography of Juan Antonio Samaranch* (London: Pavilion Books Ltd., 1992), 33-35.
9. For a scathing assessment of Samaranch's leadership, see Vyv Simson and Andrew Jennings, *The Lords of the Rings: Power, Money and Drugs in the Modern Olympics* (Toronto: Stoddart Publishing Co., 1992).
 10. Miller, *Olympic Revolution*, 3-19. For Killanin's desire to improve the IOC's financial situation, see Killanin, *My Olympic Years*, 9. Killanin's thoughts on amateurism in the early 1970s are detailed in, John Lucas, "From Coubertin to Samaranch: The Unsettling Transformation of the Olympic Ideology of Athletic Amateurism," *Stadion XIV* (1,1988): 65-84. For Killanin's demonstrated ability to work with the NOCs and IFS, see Allen Guttmann, *The Olympics: A History of the Modern Games* (Urbana and Chicago: University of Illinois Press, 1992), 122-123.
 11. Gumnann, *The Olympics: A History of the Modern Games*, 149.
 12. Derick L. Hulrne, Jr., *The Political Olympics: Moscow, Afghanistan, and the 1980 U.S. Boycott* (New York Praeger Publishers, 1990), 13. Estimates ranged as high as \$3 billion in terms of the budget established for the Moscow Olympics.
 13. Christopher Booker, *The Games War: A Moscow Journal* (London and Boston: Faber and Faber, 1981), 22.
 14. For a brief synopsis of the motivations shared by U.S. television executives, see Rader, *In Its Own Image*, 117-121 and Klatell and Marcus, *Sports for Sale*, 168-170.
 15. Klatell and Marcus, *Sports for Sale*, 168.
 16. Johnson, "A Contract with the Kremlin," 16.
 17. ABC became the number one-rated network in the United States in the fall of 1976. Rader, *In Its Own Image*, 113.
 18. For an overview of the seemingly daily barrage of the menace of the Soviet Union in U.S. society during the Cold War, see for instance, Stephen J. Whitfield, *The Culture of the Cold War* (Baltimore: Johns Hopkins University Press, 1991), 127-178. The effect of the contrasting cultures on the American view of the Soviet Union is also discussed in Karl W. Ryavec, *United States Soviet Relations* (New York: Longman, 1989), 241-299.
 19. Waters (with Malsch), "Olympic Race," 66.
 20. Johnson, "A Contract with the Kremlin," 16.
 21. Klatell and Marcus, *Sports for Sale*, 169. Klatell and Marcus report that NBC did not elect to air the U.S.S.R. Festival of Music and Dance. The contract signing was noted in Waters (with Malsch), "Olympic Race," 66.
 22. *Ibid.*, 169.
 23. Rader, *In Its Own Image*, 117-118. Brackets mine.

24. Johnson, "A Contract with the Kremlin," 16-17. Brackets mine.
25. *Ibid.*, 17.
26. The role that these negotiations played in convincing Killanin of the IOC's need to improve its knowledge concerning the television industry and the negotiation process are addressed in, Wenn, "Television Rights Negotiations and the 1976 Montreal Olympics."
27. Lord Killanin to Ignati Novikov, 23 September 1976, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, International Olympic Committee Archives, Musée Olympique, Lausanne, Switzerland [hereafter cited as IOCA].
28. Lord Killanin to Monique Berlioux, 22 October 1976, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
29. Daume reached a contractual agreement with ABC for U.S. television rights to the 1972 Munich Olympics that reserved \$6 million of the total value of the contract (\$13.5 million) for technical services. Daume pressured the IOC (successfully) to accept these terms. This troublesome episode and others of the period are detailed in, Wenn, "Growing Pains: The Olympic Movement and Television, 1966-1972."
30. Wenn, "Television Rights Negotiations and the 1976 Montreal Olympics," 111-119.
31. "Message Dictated by the President to the Director, Moscow, November, 1976," 22 November 1976, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
32. "Resume of the Mission of Messrs. D. Mortureux and G. Straschnov to Moscow, 1-3 December 1976," 1.
33. *Ibid.*
34. Monique Berlioux to Ronald McKenzie, 26 February 1975, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
35. Monique Berlioux to Norman L. Hess (Legal Counsel, LPOOC), 17 March 1975, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
36. *Minutes of the Meeting of the Finance Commission*, Lausanne, 21 January 1975, 6, IOCA.
37. *Minutes of the Meeting of the Finance Commission*, Lausanne, 19 and 22 May 1975, 4, IOCA.
38. "Lake Placid (Meeting in Innsbruck—Hotel Tyrol on 1 February 1976)," "Television Rights Lake Placid," Annex #3, 4, "Lake Placid 1980/TV-General 1976" Binder, IOCA; and *Minutes of the Meeting of the Finance Commission*, Lausanne, 19 and 22 May 1975, 4, IOCA.
39. *Minutes of the Meeting of the Finance Commission*, Lausanne, 21 January 1975, 6-7, IOCA.
40. *Ibid.*, 7.
41. For the possibility of a loan, see *Minutes of the Meeting of the Finance Commission*, Lausanne, 21 January 1975, 7, IOCA. For the proposal of a lump sum payment, see *Minutes of the Meeting of the Finance Commission*, Lausanne, 19 and 22 May 1975, 4, IOCA. Although Hodler's motivation is not specified, he likely favored a lump sum arrangement for two reasons. First, the proposed sum represented a reasonable increase in the IOC's share of Winter Olympic television revenue from Innsbruck based upon inflation and depreciation of the value of the U.S. dollar. It must be underscored that the \$6.5 million would have been shared with the IFs and NOCs. Second, he might have foreseen the possibility of divisive negotiations between the IOC and LPOOC.
42. The events described in this paragraph were recounted by John M. Wilkins, a member of LPOOC. John M. Wilkins to Monique Berlioux, 15 March 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
43. *Ibid.*
44. Norman L. Hess to Lord Killanin, 1 October 1975; and Monique Berlioux to Norman L. Hess, 6 November 1975, "Lake Placid '80 TV Dossier General" Binder, IOCA.

45. Charles Curran (President, European Broadcasting Union) to Lord Killanin, undated, "Lake Placid '80 TV Dossier General" Binder, IOCA. NBC and CBS issued the appeal through Charles Curran. The U.S. networks were associate members of EBU. The letter was received by the IOC on 5 January 1976.
46. Lord Killanin to Charles Curran, 5 January 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
47. "Lake Placid (Meeting in Innsbruck—Hotel Tyrol on 1 February 1976)," "Television Rights Lake Placid," Annex#3, 4-5, "Lake Placid 1980/TV General 1976" Binder, IOCA.
48. Roone Arledge to The Organizing Committee for the 13th Winter Olympic Games Lake Placid 1980, 13 February 1976, "Lake Placid '80 TV Rights ABC I" Binder, IOCA. The document was not forwarded to the IOC until mid-March. See, John M. Wilkins to Monique Berlioux, 16 March 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
49. Jean de Beaumont to Lord Killanin, 3 March 1976, "Lake Placid '80 TV Rights ABC I" Binder, IOCA. Killanin indicated some concern that an ABC advance to LPOOC might result in some future trouble for the IOC, but he did not take action to overturn Beaumont's decision. Lord Killanin to Jean de Beaumont, 15 March 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
50. James R. Spence (Vice President, ABC Sports) to Ronald McKenzie, 1 March 1976, "Lake Placid '80 TV Rights ABC I" Binder, IOCA.
51. Anonymous writer to Monique Berlioux, 28 February 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
52. Monique Berlioux to Ronald McKenzie, 4 March 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
53. John M. Wilkins to the IOC, 6 March 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
54. Monique Berlioux to John M. Wilkins, 8 March 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
55. *New York Times*, 13 March 1976, 51.
56. "Report on Visit to Lake Placid, 6th, 7th, 8th of April 1976 (D. Mortureux and M. Berlioux)," 5 May 1976, 4, "Lake Placid '80 TV Dossier General" Binder, IOCA.
57. John M. Wilkins to Monique Berlioux, 15 March 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
58. "Report on Visit to Lake Placid, 6th, 7th, 8th of April 1976 (D. Mortureux and M. Berlioux)," 5 May 1976, 3, 5, "Lake Placid '80 TV Dossier General" Binder, IOCA.
59. Roone Arledge to Monique Berlioux, 21 May 1976, "Lake Placid '80 TV Rights ABC I" Binder, IOCA.
60. *Ibid.*
61. Fred Rooney to Monique Berlioux, 21 May 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA.
62. *New York Daily News*, 29 May 1976, clipping, "Lake Placid '80 TV Dossier General" Binder, IOCA.
63. *Minutes of the Meeting of the Finance Commission*, Paris, 25 May 1976, 4, IOCA.
64. John M. Wilkins to Monique Berlioux, 23 August 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA. LPOOC representatives were not invited to the meeting even though they were present in Paris. They learned of the IOC's acceptance of competitive bids from U.S. network officials. Berlioux chided Wilkins when the latter expressed his opposition to having been excluded from discussions. Berlioux responded that LPOOC officials had been told that they were not required at this meeting. "We thought that LPOOC was short of money, yet you and your party spent a week at one of Paris's most

- expensive hotels!" Monique Berlioux to John M. Wilkins, 16 September 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA. In early 1979, Wilkins was relieved of his duties as a fund-raiser for LPOOC when he faced criticism for a conflict of interest. *New York Times*, 11 January 1979, II, 2.
65. For NBC and CBS officials' understanding that the bids were secret, see "Director's Resume of Meeting Held in Paris, May 1976," 3, "Lake Placid 1980/TV-General" Binder, IOCA, and Barry Frank (Vice President, CBS Sports) to Jean de Beaumont, 3 June 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA. Frank's letter was mistakenly dated 3 May. The \$14 million bid from CBS was revealed in the New York press. See, *New York Daily News*, 29 May 1976, clipping, "Lake Placid '80 TV Dossier General" Binder, IOCA. Following initial meetings with the three U.S. networks on 25 May, Arledge's \$12 million offer was the lowest of the three bids. NBC had offered \$15.5 million. For the conclusion that ABC was granted the right to match the NBC bid, see Jean de Beaumont and Monique Berlioux to Members of the Finance Commission, 3 June 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA. The opening sentence of this letter reads, in part, "Following the Finance Commission meeting of 25th May and separate interviews with the three main U.S. networks." Arledge's telex to Beaumont that revealed ABC's intent to offer \$15.5 million also leads to the conclusion that ABC's right to match the highest offer, a component of the original LPOOC/ABC agreement, was upheld. Arledge wrote: "In follow-up to our meeting with you and your colleagues in Paris on May 25th, 1976 and subsequent events, we now wish to relate a decision which will be received in the cooperative spirit which we make it." Roone Arledge to Jean de Beaumont, 3 June 1976, "Lake Placid '80 TV Rights ARC I" Binder, IOCA.
 66. Monique Berlioux to Charles A. Smiley, (Vice President, Legal and Business Affairs, ABC Sports), 14 October 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
 67. Beaumont's opinion was forwarded to Killanin by Monique Berlioux. See, Monique Berlioux to Lord Killanin, 10 June 1976, "Lake Placid '80 TV Dossier General" Binder, IOCA. Arledge did not want the financial terms of the agreement disclosed. See, Roone Arledge to Jean de Beaumont, 3 June 1976, "Lake Placid '80 TV Rights ABC I" Binder, IOCA.
 68. Monique Berlioux to Lord Killanin, 10 June 1976, "Lake Placid '80TV Dossier General" Binder, IOCA.
 69. "Press Release, 11 June 1976," "Lake Placid '80 TV Dossier General" Binder, IOCA.
 70. John M. Wilkins to Monique Berlioux, 23 August 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
 71. *Ibid.*; and "Report on Visit to Lake Placid, 6th, 7th, 8th of April 1976 (D. Mortureux and M. Berlioux)," 5 May 1976, 3, "Lake Placid '80 TV Dossier General" Binder, IOCA.
 72. John M. Wilkins to Monique Berlioux, 23 August 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
 73. *Ibid.*
 74. Monique Berlioux to John M. Wilkins, 16 September 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
 75. *Ibid.*
 76. "Meeting to Discuss the Lake Placid Organizing Committee/ABC Television Contract for the 1980 Games," Barcelona, 10-13 October 1976, "Lake Placid 1980/TV-General 1976" Binder, IOCA.
 77. "Report of Visit to the USA by the IOC Director and Advisers," 6-11 December 1976, *Minutes of the Meeting of the Finance Commission*, Paris, 5 January 1977, Annex #2, 8, IOCA.
 78. *Ibid.*, 9.
 79. *New York Times*, 16 November 1976, 77.

80. "Report of Visit to the USA by the IOC Director and Advisers," 6-11 December 1976, *Minutes of the Meeting of the Finance Commission*, Paris, 5 January 1977, Annex #2, 9, IOCA.
81. Jean de Beaumont to Lord Killanin, 15 December 1976, *Minutes of the Meeting of the Finance Commission*, Paris, 5 January 1977, Annex #3, 17, IOCA.
82. *Ibid.*, 16-17. The financial arrangement was the result of a three-way agreement among the IOC, LPOOC, and USOC. Jean de Beaumont to Julian K. Roosevelt, 14 December 1976, *Minutes of the Meeting of the Finance Commission*, Paris, 5 January 1977, Annex No. 3, 18; and *Minutes of the Meeting of the Finance Commission*, Paris, 5 January 1977, 3, IOCA.
83. Lord Killanin to Vitaly Smimov, 9 December 1976, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
84. Johnson, "A Contract with the Kremlin," 18; V. Koval to Monique Berlioux, 8 December 1976; *Minutes of the IOC Finance Commission*, Paris, 5 January 1977, 1; and "Resume of the Mission of Messrs. D. Mortureux and G. Straschnov to Moscow, 1-3 December 1976, 1, IOCA.
85. Johnson, "A Contract with the Kremlin," 18.
86. Spence (with Diles), *Up Close and Personal*, 296; *New York Times*, 17 December 1976, II, 13.
87. "Resume of the Mission of Messrs. D. Mortureux and G. Straschnov to Moscow, 1-3 December 1976," 1; *New York Times*, 16 November 1976, 77; Spence, *Up Close and Personal*, 296.
88. Johnson, "A Contract with the Kremlin," 18.
89. *Ibid.*, 19.
90. Ryavec, *United States Soviet Relations*, 241.
91. Johnson, "A Contract with the Kremlin," 18.
92. *Ibid.*
93. Spence (with Diles), *Up Close and Personal*, 296.
94. Johnson, "A Contract with the Kremlin," 19.
95. *Ibid.*
96. *New York Times*, 23 December 1976, 23.
97. *Ibid.*, 25 December 1976, 27.
98. *Ibid.*, 15 January 1977, 32.
99. *Timer* [London], 23 December 1976, 7.
100. *New York Times*, 22 December 1976, 60.
101. *Ibid.*
102. Johnson, "A Contract with the Kremlin," 19.
103. *Ibid.*, 17-18.
104. *Ibid.*, 19; and Spence (with Diles), *Up Close and Personal*, 296-297.
105. Johnson, "A Contract with the Kremlin," 19.
106. *Ibid.*
107. "Report Regarding Final Negotiations with the Television Companies for the Moscow Television Rights," 8 February 1977, 1, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
108. Johnson, "A Contract with the Kremlin," 19.
109. *Ibid.*; and "Report Regarding Final Negotiations with the Television Companies for the Moscow Television Rights," 8 February 1977, 1.

110. "Report Regarding Final Negotiations with the Television Companies for the Moscow Television Rights," 8 February 1977, 1.
111. *New York Times*, 2 February 1977, II, 1, 24.
112. *Minutes of the Meeting of the Finance Commission*, Paris, 5 January 1977, 1; *Minutes of the IOC Executive Board*, Prague, 13-17 June 1977, 3; and Lord Killanin to Ignati Novikov, 17 February 1977, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
113. *New York Times*, 11 February 1977, III, 27.
114. *Minutes of the Meeting of the IOC Executive Board*, Lausanne, 19-20 October 1977, 16. For information regarding the IOC's legal expenses, see *Minutes of the Meeting of the Finance Commission*, Paris, 6 October 1977, 3, IOCA.
115. *New York Times*, 10 December 1977, 46; and *Minutes of the Meeting of the IOC Executive Board*, Tunis, 25-26 January 1978, 11, IOCA.
116. *Minutes of the Meeting of the IOC Executive Board*, Tunis, 25-26 January 1978, 10.
117. *Ibid.*
118. *Minutes of the Meeting of the Finance Commission*, Paris, 23 May 1978, 4, IOCA.
119. *Minutes of the Meeting of the IOC Executive Board*, Lausanne, 30-31 August 1978, 8-9, IOCA.
120. *Ibid.*, 9.
121. *Ibid.*
122. *Ibid.*; and *Minutes of the Meeting of the IOC Executive Board*, Athens, 13-14, 16, 18 May 1978, 10, IOCA.
123. *Minutes of the Meeting of the IOC Executive Board*, Lausanne, 30-31 August 1978, 10, IOCA.
124. *Minutes of the Meeting of the IOC Executive Board*, Lausanne, 9-10 March 1979, 5-6; and "Agreement," *Minutes of the Meeting of the Finance Commission*, Paris, 17 September 1979, 16-17, IOCA.
125. When the United States showed little interest in, or sympathy for, Afghanistan's land claims dispute with Pakistan over the region of Pashtunistan in the 1950s, Afghanistan moved closer to the Soviet sphere of influence. In the early 1960s, an open clash between Afghani and Pakistani troops resulted in Afghanistan's isolation as a result of commercial sanctions imposed by Pakistan, a situation that increased its dependence on the Soviet Union. This dependence became a concern for the Afghan monarchy, and the Afghani Premier, Mohammad Daoud, was forced from office in 1963 by the ruling monarch. Termed the constitutional decade, the period 1963-1973 marked a period of social advancement in Afghanistan, but ultimately the king's (Mohammad Zahir) hopes for a constitutional monarchy with guarantees for the freedom of the individual were dashed by successive weak governments resulting from inadequate considerations concerning appropriate government structure and Daoud's interference. Daoud, tired of his position on the periphery of Afghani politics, sought support from pro-Moscow leftist military officers and successfully overthrew the constitutional monarchy in 1973. Daoud, who had been firmly in the grasp of the Soviets as a premier, attempted to reduce Soviet influence over Afghani affairs during his presidency of the new republic. Daoud was killed in 1977 during a coup led by members of the radical pro-Moscow party in Afghanistan, the People's Democratic Party of Afghanistan (PDPA). Under Nur Mohammad Taraki's leadership, the newly formed Revolutionary Council enacted socialistic policies and operated in the form of a single-party dictatorship. These developments fostered a number of popular uprisings, which were suppressed. Taraki was eventually replaced by Hafizullah Amin, a fellow member of the PDPA, the deputy premier and minister of foreign affairs, who "tried to rule Afghanistan the way Marshal Tito had ruled Yugoslavia." Soviet intrigue failed to return the pro-communist Taraki to power in September 1979 and Amin had Taraki executed. Amin's leadership, and his

- attempt to govern as an independent ruler, precipitated Soviet military intervention and Amin's execution by the invaders. M. Hassan Kakar, *Afghanistan: The Soviet Invasion and the Afghan Response, 1979-1982* (Berkeley: University of California Press, 1995), 1-17, 26-27, 38-40, 47.
126. *Ibid.*, 50.
 127. *Ibid.*, 48.
 128. Jimmy Carter, *Keeping Faith: Memoirs of a President* (London: Harper Collins, 1982), 475-476; and "Soviet Afghanistan Invasion Ends Detente," *Congress and the Nation 1977-1980: A Review of Government and Politics* (Volume 5) (Washington: Congressional Quarterly Inc., 1981), 82; and Hulme, *The Political Olympics*, 17.
 129. For an overview of the boycott, see Booker, *The Games War*, Richard Espy, *The Politics of the Olympic Games (with an epilogue, 1976-1980)* (Berkeley: University of California Press, 1981); and Hulme, *The Political Olympics*.
 130. Samuel Pisar (Law Offices of Samuel Pisar) to Monique Berlioux, 17 February 1981, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
 131. *Ibid.*
 132. John I. Huhs (Huhs and Pisar) to Monique Berlioux, 14 August 1981, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
 133. J.I. Huhs to Monique Berlioux, 26 August 1981, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA.
 134. John I. Huhs to the IOC, 2 July 1980, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA. Berlioux was not satisfied with this situation as the IOC had not approved the clause. It had been added to the contract without her knowledge. However, Huhs suggested that if the IOC contested this matter in court it might suffer a financial loss. A legal tribunal might decide that the contract did not represent a binding agreement if the IOC had not approved of it in its entirety. The IOC also reached an agreement with EBU concerning payments it desired to withhold as a result of the U.S. boycott. EBU's contract with MOOC had a clause that called for the payment of the final 5595,000 of the \$5.95 million contract (\$198,333 of this amount was payable to the IOC) within ten days of the completion of the Games. "Agreement, 29.9.78," 6, and Annex #5, "Moscou, 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA. The contract also called for reimbursement of the funds already paid and the cancellation of the contract if the structure of the Games was substantially changed. Monique Berlioux to Lord Killanin, 22 January 1980, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA. EBU claimed that the U.S. boycott had altered the structure of the Games. The IOC countered with the position that at the time the contract was signed (1978), no one was in a position to say which teams would participate. "Report on the Meeting with Representatives of the Moscow OCOG Regarding Disputes Concerning Television Contracts," 24 September 1980, 3, "Moscou 80 Television, Film, Cassette etc. Audio-Visuel Radio 1976-1980" Binder, IOCA. IOC records indicate that \$4,702,500 of the scheduled \$5 million rights payment was sent to Lausanne. "Droits de Télévision Verses par les Organismes de Télévision pour les Jeux d'Olympiade (en Dollars US)," 1986, IOCA. Without definitive proof from documents perused in Lausanne, it seems clear that the IOC and EBU agreed to a payment of half of the remaining \$595,000.
 135. "Report of Visit to the USA by the IOC Director and Advisers," *Minutes of the Meeting of the Finance Commission*, Paris, 5 January 1977, Annex #2, 9, IOCA.
 136. "Legal Comments on the Draft Regulations for Candidate Cities and their Obligations with Regard to Television Rights," *Minutes of the Meeting of the Finance Commission*, Lausanne, 27 April 1977, Annex #11, 11, IOCA.
 137. *Minutes of the 79th Session of the International Olympic Committee*, Prague, 15-18 June 1977, 35; and Annex #33, 98-102. A number of other policy changes were ratified. In an

effort to protect the concept of exclusive television rights, the IOC limited television and film news reporting on networks that had not purchased Olympic rights to three programs of two minute duration each day. *Olympic Charter 1980* (Lausanne: IOC, 1980), 26, IOCA. A standard contract for the sale of Olympic television rights was also developed. *Olympic Charter 1979* (Lausanne: IOC, 1979).

138. For the appraisal of Killanin's leadership, see Guttmann, *The Olympics: A History of the Modern Games*, 142. For some thoughts on the evolution of the IOC's role in political discourse, see Donald Macintosh and Michael Hawes, "The IOC and the World of Interdependence," *Olympika: The International Journal of Olympic Studies* I (1992): 29-45.