

Growing Pains: The Olympic Movement and Television, 1966-1972

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In 1966, the IOC brokered an agreement with representatives of the International Sport Federations (ISFs) and National Olympic Committees (NOCs) designed to provide a more equitable method of distributing Olympic television revenue. The ISFs and NOCs recognized the impact of satellite technology on the value of Olympic television rights and pressured IOC President Avery Brundage for a greater percentage of the available money. Brundage viewed the agreement reached at the 100 General Session in Rome (the Rome Formula) as a necessary evil. Although he was concerned that the availability of more television revenue to the ISFs and NOCs might result in some embarrassment to the IOC if leaders of the affiliated organizations did not exercise discretion regarding expenditures, Brundage had little manoeuvring room. He knew that the continued cooperation of these organizations was vital to the success of the Modern Olympic Movement.

This study will investigate the aftermath of the agreement. IOC documents reveal that Brundage and his IOC colleagues were confronted by two major challenges. First, a number of the ISF leaders expressed dissatisfaction with the terms of the Rome Formula and lobbied for a greater percentage of the television revenue. Second, the 1972 Sapporo and Munich Organizing Committees adopted negotiation strategies aimed at maximizing their portion of the television money while minimizing the amount available to the ISFs, NOCs, and the IOC.

The late 1960s proved to be a pivotal period in the financial history of the IOC. The changing economic climate with respect to the marketing of television rights, and the IOC's need to bring order to the spending practices of IOC staff members in Lausanne, prompted the IOC to establish a Finance Committee. Lord Luke, Jean de Beaumont, and Reginald Alexander emerged as the key individuals involved in this enterprise. The activities of the television rights negotiators for the Munich and Sapporo Olympic Games also moved the IOC towards a more hands-on and sophisticated approach to television matters. The earliest signs of the IOC's corporate approach to television appeared in the late 1960s.