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Olympics could show FIFA the way

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FIFA could look to the International Olympic Committee for tips on salvaging its multimillion-dollar sponsorship deals in the wake of a damaging corruption investigation. It may also, however, be too late for that, say executives close to the Olympic movement's response to the bribery scandal around Salt Lake City's successful bid to host the 2002 Winter Games.

Worldwide sponsor Visa told FIFA last week that it might walk away from its current sponsorship without sweeping changes at the soccer governing body. Other FIFA sponsors also suggested they are concerned.

The first step toward redemption for FIFA is to buy time, said former IOC marketing director Michael Payne. After the Olympic bribery scandal broke in 1998, Payne flew to the United States repeatedly to pledge reforms while also warning sponsoring CEOs not to count on a quick fix.



The Salt Lake City Organizing Committee's Frank Joklik (left) and Robert Garff, and outside counsel Jim Jardine face the media in 1998 to answer questions about the bid process for the 2002 Winter Olympics.

Photo by: GETTY IMAGES

"We're going to get to the root of it," Payne remembers promising them. "But this is a global, international political organization. It's not a company where changing the CEO from one day to a next is going to fix things. It may mollify the media, but it won't solve the problem. You've got to give us a tiny bit of breathing room, but we're going to go all the way."

But the patience extended then by Olympic sponsors was predicated on the belief that the IOC actually would act swiftly after news first broke that IOC members had accepted payoffs and gifts for making Salt Lake City the 2002 host. FIFA has been dogged by allegations of scandal for years.

"They took charge immediately to rectify the thing," said Rob Prazmark, founder and CEO of 21 Sports & Entertainment Marketing Group, who was president of

Olympic sales and marketing at IMG in 1998. "It may have felt like it was forever and forever, but it started in December '98 and was gone by December 1999."

The IOC expelled or forced to resign 10 members, punished 10 others, and banned visits to bid cities by members not on the evaluation committee. Locally, Mitt Romney replaced Salt Lake City Organizing Committee President Frank Joklik two months after the scandal broke. Olympic sponsors also now have a moral clause in contracts, giving them an easier out if they can prove any harm done by the Games. All 11 worldwide Olympic sponsors at the time stuck with the Games following the changes.

One other key point worth remembering: This may not be as big a problem for soccer as it initially seems. During the Salt Lake City scandal, opinion polls conducted by third parties and some sponsors themselves discovered that the American public at least saw the administrative corruption and the quality of the sport as two different subjects.

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