

# INTELLECTUAL PROPERTY FOR ECONOMIC DEVELOPMENT THROUGH SPORTS

## Roundtable Presentation

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When accompanying the negotiations to establish the development agenda and, more recently, the implementation of the various recommendations, we realized the complexity of the program.

On one side, the development agenda provides least developed countries (LDCs) and developing countries with educational programs, transfer of technology and technical assistance, but, on the other hand, such countries need extensive preparation to create infrastructure in energy, transportation, telecommunications, etc. before the intellectual property can be used successfully to achieve economical development.

We, therefore, gave thoughts to this matter to find areas of activity in the LDCs and developing countries where intellectual property could play an important role in promoting economical development. It then occurred to us that the first area to be considered was the area of sports because the practice of sports is extensive either in developed, developing or least developed countries.

Intellectual property plays an important role in the world of sports, which shows a yearly turnover of many billions of dollars. Trademarks, designs, slogans, copyright and even patents, together with image protection, are therefore instruments to promote economical development through sports. The success of this promotion depends essentially on the top organization of the events, marketing, broadcasting, merchandising, licensing, sponsorship and legislation to protect the legitimate participants against unfair competition, ambush marketing and counterfeiting.

Undoubtedly football (called soccer by the Americans) is the number one sport in popularity around the world, moving billions of dollars every year, followed by American football, baseball, rugby, cricket, ice hockey, volleyball, basketball, golf, tennis, athletics, swimming, sailing and so on.

Developed countries have learned how to benefit from the enormous attractive power sports events have on the public. In 2007 the financial turnover in the area of sports in the United States reached 560 billions of dollars. A similar situation occurs in Europe, where we have the well-known cases of Manchester United and Chelsea, in England; Real Madrid and Barcelona, in Spain; Inter and Milan, in Italy. Tiger Woods in golf and Roger Federer in tennis are other examples of financial success through sports.

This shows how accessible economical development through sports can be to the developing, to LDCs and even to emerging countries.

This year we shall have the World Cup in South Africa, in 2014 in Brazil, and the Olympic Games in Rio de Janeiro in 2016. These are very good opportunities for

countries to get economical benefits from sports. However, to be successful there is a lot to learn. Sports marketing, merchandising, licensing, sponsorship and, above all, adequate broadcasting are essential to achieve success.

Even in countries like Brazil, famous for its football, the sports area is not adequately managed, otherwise it would not lose its famous players to clubs abroad.

Sponsorship, for example, plays an important role because the sponsors' trademarks are enhanced by the emotions produced by the events, by the popularity of the famous athletes and by the rivalry among the clubs or associations. On the other hand, sponsorship brings a substantial responsibility with it, as any misbehavior will reflect negatively on the sponsor and on its mark. Even the behavior of fans (Hooligans, for example) may have a negative impact on the relations with a sponsor. Before contracting with a club or athlete, sponsors must make sure that the parties are conscious of their responsibilities regarding organization and behavior.

As we can see, sports is definitely an area from which developing countries and LDCs can learn and obtain economical benefit if intellectual property is used adequately. Much can be done in this area as long as the developing and least developed countries can count on transfer of know-how and technical assistance.