



with Andrew Heathcock
PARTNER, Paris Smith

Sponsors Beware

First it was Northern Rock (Newcastle United and Newcastle Falcons); then it was XL (West Ham), then Lehman Brothers (the Varsity Match) and then AIG (Manchester United). Big name sponsors don't necessarily mean big money to the sports clubs - especially if they fall on hard times. Is such sponsorship a sign of impending doom like the flagpole at HQ or chairman's newly minted Bentley in the car park?

Sponsorship can, however, be rewarding if you get it right i.e. - good performances by the sports team result in loads of good publicity for the sponsor and loads of money for the Club - that is providing the agreement is structured correctly. Funding will often increase with success. Any Premiership Club agreement will contemplate the team winning not only the Carling Cup and the FA Cup but also the League and even the Champions League - however remote the possibility. And, of course, there are legal exit routes on either side if things go wrong - insolvency, reputational damage and the like.

The most unusual deal I have been involved in required GB International athletes (including household name Olympic medallists) to advertise a brand new Essex housing development (Chafford Hundred as I recall) on their vests. I hope the houses still stand today.

And don't be fooled into thinking all those bottles of drink given to teams and individuals is all about their need to top up fluid levels. Contracts that I have drafted set out, almost to the "nth" degree, how and at what opportunity they must be handed out to maximise the publicity for the maker's name.

I always chuckle, too, at the sponsors ingenuity in placing logos in such prominent positions that the TV cameras cannot avoid them. It is only a matter of time I think before face transfers are "de rigueur". How much would they be worth?

We mean business

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