Creating Value in the Sports Industry: IP creation and Global branding

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The Starting Point
– What Does the Customer Want?

- How do we create brand equity and value in sport?
THE MARKETS
UNDERSTAND YOUR AUDIENCE

Who is the audience?
How do we define value?
THE STARTING POINT
– WHAT DOES THE CUSTOMER WANT?

• So what do you see value in and why?
UNDERSTANDING BRANDING & INTELLECTUAL PROPERTY
WHY DO WE NEED SPORTS BRANDS?

• To raise the profile of the sport and sport related industries;
• To sustain sport as a business sector;
• To feed development and growth;
• To engage political and business leaders in policy and investment issues related to the sport industry;
• Provide greater value for athletes and product owners;
• To determine intellectual property rights ownership and the inter-relationship of players within the industry; and
• To support broader social and economical objectives (urban regeneration, building social capital/cohesion, health outcomes).
IP CREATION & BRANDING

• Image and aesthetics are important in sport – so too is design
• In a competitive marketplace – the more attractive a product, the higher the consumer value
• Marketing and branding can be the difference between success and failure
• Important to respond to consumer changes and tastes
• Registering intellectual property, companies can protect themselves from imitators and counterfeiters
• Sports equipment and clothing companies are working together to find new solutions in protective clothing i.e. GORE-TEX ®
• Industrial design law – Hague system allows protection in up to 57 countries.
• Trademarks can be used to build brand recognition and value for a product, and support licensing strategies across various markets.
How we think about brand?

- Visual elements
- Verbal elements
- Behavioural elements
BRANDING + IP = RETURN ON INVESTMENT
We need to analyse:

- The markets and audiences
- The elements of the industry
- The existing & potential assets
- Integration and cross-marketing within the industry.
WHAT ARE THE VALUE DRIVERS OF THE SPORTS INDUSTRY?

- BUSINESS
- SOCIAL
- HEALTH
- ENTERTAINMENT
WHAT ARE THE SECTORS OF THE SPORTS INDUSTRY?

- Sport Content
- Sport Experience
- Sport Products
- Sport Service

Commercial potential across different markets
THE SPORTS INDUSTRY

- Sports Management
- Broadcast & Media
- Technology & Innovation
- Operational Management
- Event Management
- Hospitality
- Athlete Development
- Sport Products
- Venue Management & Logistics
IP CREATION – TECHNOLOGY AND INNOVATION

• Constant need for the competitive edge in Sport – scientists and entrepreneurs drive innovation in equipment and technology to enhance performance
• Link high performance programs and systems to product development and media
• Patents and trademarks are important components of businesses competitive strategy and value creation
• Science, sport and brand collaboration increasing for example 2XU and SKINS™
IP CREATION – BROADCASTING & CONTENT

• Content creation, production and distribution of sport activities and events are core commercial products for sports businesses.
• Media rights hold significant value for a broadcaster and return on investment is often high.
• Innovation to bring the viewer closer to the action – a different experience.
• Example: Rugby Union and shift to professional / media driven model.
BRANDING – EVENTS

Sports events are an ideal vehicle for sponsorship and advertising opportunities

Event IP checklist:
Is there an existing Brand/mark licensed for the hosting of the sport event?
What is the value of a brand/mark to your sport event?
How can the brand be protected?
What is the nature of the relationship with the event organizer/owner;
Can the brand be associated with other brands?
Are there conflicts with existing sponsors and their brands?
Are there any conflicts with sponsors of the venue of the sport event?
BRAND AMBASSADORS

• An athlete is a powerful vehicle for an emotional connection to a sport
• It is a proven winning strategy for brands to associate their product with an athlete – think Tiger and Nike / David Beckham etc.
• When selecting a brand ambassador, consider:
  • How do they fit with our brand?
  • How do they relate to our brand objectives and desired outcomes?
  • What does their personal brand say and how does it align with the brand we are promoting?

IP considerations include:
• Do you have the correct rights? i.e. image rights