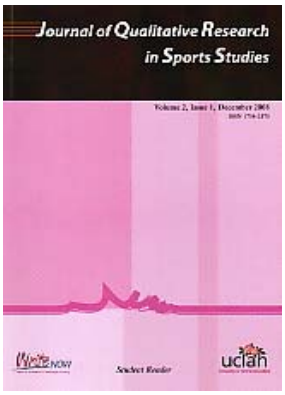
Published in the UK by:
University of Central Lancashire, Preston.
(in association with Write Now: CETL Centre of Excellence in Teaching and Learning)



Journal of Qualitative Research in Sports Studies

Volume 2, Issue 1, December 2008

Funding and sponsorship; the commercial impact of the 2012 London Olympic Games — some considerations

[a] James Kenyon (Liverpool Hope University)

[b] Clive Palmer (University of Central Lancashire)

ISSN: 1754-2375
ISBN: *Not assigned to this volume*
JQRSS Article No: 3/15-2-1-2008-UG2[3]-013

To cite this article:

Kenyon, J. and Palmer, C. (2008) Funding and sponsorship; the commercial impact of the 2012 London Olympic Games - some considerations. *Journal of Qualitative Research in Sports Studies*, 2, 1, 29-44.

Self-archived URL link to this article:
https://www.academia.edu/3710398/Kenyon_J._and_Palmer_C._2008_Funding_and_sponsorship_the_commercial_impact_of_the_2012_London_Olympic_Games_some_considerations._Journal_of_Qualitative_Research_in_Sports_Studies_2_1_29-44

Advice to submitters - see JQRSS Guide to Contents & Open Call for Papers:
https://www.academia.edu/3513281/JQRSS_Overview_Guide_to_Contents_and_Editorials_by_Volume_-_Open_Call_for_Papers

JQRSS Mapping of Articles (2007- to date):
https://www.academia.edu/8827414/Mapping_of_JQRSS_articles_across_Undergraduate_and_Postgraduate_research

Copyright © Clive Palmer and the individual authors

Notice:
The discussions, statements of fact and opinions contained in the articles of The Journal of Qualitative Research in Sports Studies are those of the respective authors and cited contributors and are set out in good faith for the general guidance of student supported research and the promotion of pedagogical discussion in teaching and learning contexts. No liability can be accepted by the Editor, Editorial Board, Advisory Board, the reviewers or the authors/submitters for loss or expense incurred as a result of relying upon particular statements made or circumstances outlined in this journal.

Write NOW
Centre for Excellence in Teaching & Learning

uclan
University of Central Lancashire

JQRSS

Online Research Profiles:
academia.edu: https://uclan.academia.edu/ClivePalmer
ResearchGate: http://www.researchgate.net/profile/Clive_Palmer
British Conference of Undergraduate Research http://bcur.org/journals/

Funding and sponsorship; the commercial impact of the 2012 London Olympic Games — some considerations

James Kenyon and Clive Palmer
(Liverpool Hope University)
(University of Central Lancashire)

Abstract

Since successfully gaining host city status for the 2012 Olympics in 2005, London's ability to accommodate such an event has been the subject of much debate in the media. A significant part of this attention has focused upon the ever-increasing costs to host and stage the Games in London (BBC News, 2008a, 2008b; BBC Sport, 2007; Booth, 2008; Merrick, 2008; Neenan, 2008). The aim of this article is to discuss the commercial relationships between Olympic sponsors, the IOC and the bodies responsible for delivering London 2012 Olympic Games and to highlight any ethical implications emerging. The focus will be on the contrasting tensions between world-wide and domestic sponsorship for the Olympics. For example, the Los Angeles Olympic Games in 1984 changed the way in which Olympic sponsorship was conducted and the way in which Olympic sponsorship programmes have evolved since then. The article will then examine some domestic issues regarding the funding required to pay for the 2012 London Games and the use of National Lottery money towards this. Ethical considerations between the commercialization of the Olympics Games and the Olympic Movement are also raised as these may conflict with concerns for public health and the Olympic Ideal itself, now seemingly being underwritten and dependent upon the whims of commercial sponsorship.

Introduction

With the exception of the International Olympic Committee (IOC), the delivery of the London 2012 Games will fundamentally be the responsibility of two organisations; one public sector body and one private enterprise organisation. The Olympic Delivery Authority (ODA) is the public sector body, funded directly by the government. They are responsible for the construction of the venues and creating an infrastructure for staging the London 2012 Games. Cost estimates for the ODA budget when London won the bid for the Olympics in 2005 were approximately £3.298bn (London Assembly, 2008) which then rose swiftly to £4.036bn (National Audit Office, 2007) and most recently, a revised ODA budget released by the Department for Culture, Media and Sport in March 2007 was £9.325bn. This budget will be made up from the Exchequer, who will account for

£5.975bn. The National Lottery is expected to contribute £2.175bn, the Greater London Authority (GLA) will account for £0.925bn and the London Development Agency (LDA) £0.25bn (DCMS, 2007). However, as the Beijing 2008 Games drew to a close, concerns were reported in the media that there could be serious deficits in the overall budget for hosting the London Games in 2012 (Booth, 2008; BBC News, 2008a; BBC News 2008b).

The private enterprise organisation is the London Organising Committee of the Olympic Games and Paralympic Games (LOCOG). LOCOG will receive its revenue entirely through private subsidy and the IOC. Sponsorship will play a key role in LOCOG's funding of the London 2012 Games, as has been the case within the Olympic Movement since the Los Angeles 1984 Olympics. Since the 1984 Games the increased dependency of the Olympic Movement upon sponsorship has been reflected by the fact that approximately a third of the IOC's revenue comes from world-wide and domestic sponsorship programmes (Lee, 2005; Stotlar, 2005 cited in Giannoulakis and Stotlar, 2006; IOC, 2008a). Currently, the Olympic Movement generates its revenue through five major sources:

Table 1 - Current IOC revenue sources

Source	Olympic Marketing Revenue 2001-2004 (US$)	Olympic Marketing Revenue 2001-2004 (£)	%
Broadcast Fees	$2,232,000,000.00	£1,230,166,800.00	53
TOP Programme	$663,000,000.00	£365,412,450.00	16
Domestic Sponsorship	$796,000,000.00	£438,715,400.00	19
Ticketing Sales	$411,000,000.00	£226,522,650.00	10
Licensing	$87,000,000.00	£47,950,050.00	2
Total	$4,189,000,000.00	£2,308,767,350.00	100

(Source: International Olympic Committee (2008a) Olympic Marketing Factfile 2008)
N.B. All figures in the chart above have been rounded to the nearest US$1m by the IOC and all figures have been converted to £ by the author at current market rates of US$1 = £0.55115

From this world-wide marketing revenue, the IOC retains approximately 8% for the operational and administrative costs of governing the Olympic Movement with the remaining 92% given to organising committees '… to support the staging of the Olympic Games and to promote the worldwide development of sport' (International Olympic Committee, 2008a: 5).

Domestic sponsorship partnerships are also playing an increasingly important role for

the 2012 Games since it is thought that LOCOG will need to raise roughly £0.65bn through domestic sponsorship to host the Olympics. So far it has made agreements with six official partners (BBC News, 2008c), including the likes of Lloyds TSB and Adidas, in sponsorship deals worth at least £230m (Mathiason, 2008).

Olympic sponsorship and the national lottery

It could be argued that the first instance of Olympic Sponsorship (and probably sport sponsorship) was evident in the Ancient Olympic Games, when chariot racing, '… usually the preserve of the aristocratic faction of Greek society' (Barney, 2004: 35) provided less wealthy individuals the opportunity to combine together and sponsor a chariot team. In more recent times sponsorship has been described as a 'strategic activity' (Amis and Slack, 1999) during an event '… by one commercial interest in exchange for large amounts of money and special types of promotion connected with the sponsored activity' (McAllister, 1998, cited in Lee, 2005: 127). In the relationship between sponsor and sponsee, sponsors aspire to be positively associated with the public attention generated by the sponsee (Meenaghan, 1994 cited in Martyn, Kossuth and Gillespie, 1998) and there is strong support that suggests that sport sponsorship, and particularly Olympic sponsorship, can be very effective in meeting these aspirations (Papadimitriou, Apostolopoulou and Dounis, 2008). Furthermore, sport sponsorship has been shown to be an effective tool to alter and enhance a company's image and reputation (Amis and Slack, 1999: 251); for example, Skoda cars and Timex watches feature National and Olympic sponsorship associations to promote themselves. Miyazaki and Morgan (2001) note that in Olympic sponsorship programmes, sponsors aim to draw upon the image and the aura of the Olympics to market themselves as leaders in their field. Lenskyj (2002) believes that the Olympics are organised to capitalise on the competition between multinational companies for exclusive Olympic sponsorship status. This is an interesting statement as some key assumptions may have been made; chiefly that Olympic sponsorship is indeed exclusive and worth pursuing, followed by some shrewd business tactics by the IOC to promote sponsorship as a means to their survival. Consequently, if Olympic sponsorship is simply a means to an end for the IOC; a business concern, does it really matter who sponsors the Olympics? This question may highlight the ethical conflict between what the IOC stands for in terms of international ideals in sport and education etc. and how it sustains itself to work towards these ideals. Perhaps, the reality is that the highest bidder wins at the Olympic sponsorship auction, just as the highest jumper will win Gold in the High Jump at the track. When survival (of the IOC) and profit (for multinationals) are at stake can there really be scope for ethically appropriate sponsorship? That is, under what conditions might the IOC accept a lower bid for sponsorship over a higher one? Various sources have observed the increased dependency of the Olympic Movement on

sponsorship which is said to account for between 30-35% of the IOC's budget (depending on the source) (Lee, 2005; Stotlar, 2005 cited in Giannoulakis and Stotlar, 2006; IOC, 2008a). It is thought that at the turn of the millennium, Olympic sponsors contributed more than US$500m (£255m approx.) every four years to the IOC to assist in the running of the Games (D' Alessandro and Owens, 2001) that figure is now as high as £800m (see IOC, 2008a: 1).

Prior to the 1984 Games in L.A. and following the boycotts of the 1980 Moscow Olympics, political tension was rising and along with it, concerns for the costs of staging the Olympics in Los Angeles (Nixon, 1998). Gruneau and Cantelon (1988) state that in preparing for earlier Games financial ineptitude and corruption meant that the appeal of hosting the Games suffered to such an extent that there were only two cities bidding for the 1984 Olympics; Tehran and Los Angeles. Later, when Tehran dropped out of the race the IOC had no choice but to award the 1984 Games to Los Angeles who were then running unopposed. Easton (1994) points out that prior to the L.A. Olympics, most of the revenue for staging the Games came from ticket sales, broadcasting rights and fees imposed by the host city.

However, the general population of Los Angeles were not willing to pay for the Games themselves. With the commercial viability of the Olympics now in question, the IOC had no choice but to allow the city of Los Angeles to breach Rule 4 of the Olympic Charter, which entrusted the financial responsibility of hosting an Olympic Games to the city itself (Nixon, 1988). Consequently, the first private company responsible for staging an Olympic Games was inaugurated, the Los Angeles Olympics Organising Committee (LAOOC). As things have transpired, the L.A. Olympics have become a commercial landmark in terms of sponsorship and funding arrangements, becoming the first Olympics to be financed entirely through private enterprise with sponsors providing at least US$100m (Brichford, 2002). The L.A. Olympics turned out to be hugely popular event and a financial success, with a surprise surplus of around US$225m (Payne, 2006). This allowed the organisers to subsequently set up the L84 Foundation whose mission is to, '...serve youth through sport and to increase knowledge of sport and its impact on people's lives' (LA84 Foundation, 2008). However, despite this, Eason (1984) cited in Nixon (1988: 237) claims that the L.A. 1984 Games were '…an effective worldwide advertisement for capitalism'. Commercialisation at the 1984 Olympics has attracted criticism that a once-noble traditional festival was now corrupted by money and politics (Tomlinson and Whannel, 1984). More cynical critics went so far as to nickname the L.A. Games the 'Hamburger Olympics', where the only thing that was missing was the hamburger-shaped Olympic swimming pool as sponsorship money from McDonald's

built the new swimming pool (Gruneau, 1984). However, despite such criticisms about Olympic commercialisation, Tripodi (2001, cited in Dolphin, 2003) states that since the Los Angeles Games, sponsorship has gained tremendous popularity with corporate businesses such as McDonalds for whom the Olympics have been a valuable opportunity to promote their brand.

Based on the financial success of the L.A. Olympics, and with growing interest concerning the sale of broadcasting rights, the IOC set up a new commission responsible for identifying revenue opportunities. A partnership between this commission and the marketing company ISL (ISL Marketing Aktiengesellschaft) swiftly led to the creation of The Olympic Partner (TOP) programme in 1985 (Girginov and Parry, 2005). The modern-day TOP programme provides each partner with exclusive global marketing rights to a designated product or service category (International Olympic Committee, 2008a, and Papadimitriou et al., 2008). Probably the best example of a TOP partner is the Coca-Cola Company which has had the longest continuous relationship with the Olympic Movement, sponsoring every Olympics since the 1928 Games in Amsterdam (International Olympic Committee, 2008b). They were the first major international sponsor to be recognised within the TOP programme (Pound, 1986). In total, the first TOP Programme (TOP 1) attracted nine leading multi-nationals and generated around $95m (Payne, 2006). In terms of the London 2012 Olympics, it is anticipated that a considerable part of LOCOG's budget for staging the Games will be met by sponsor partnership agreements between the IOC and its TOP sponsors. This figure is thought to be about 36% of LOCOG's budget (DCMS, 2007).

The currently confirmed TOP Olympic partners for the London 2012 Games are:

Table 2 - TOP Olympic partners for the London 2012 Games

Coca-Cola	Non-alcoholic Beverages
Atos Origin	Information Technology Supplier
General Electric	Select products and services from GE Energy, GE Health-care, GE Transport, GE Infrastructure, GE Consumer & Industrial, GE Advanced Materials and GE Equipment Services.
McDonald's	Retail Food Services
Omega	Timing, Scoring and Venue Results Services
Panasonic	Audio/TV/Video Equipment
Samsung	Wireless Communications Equipment
Visa	Consumer Payment Systems

(Source: LOCOG, 2008)

LOCOG's relationship with the IOC will be critical for the success of the London 2012 Games and its operational budget for staging the Games is said to be approximately £2bn (BBC News, 2006; GLA, 2006). This is made up from contributions from; the IOC (from

the sale of broadcasting rights), its TOP sponsors, domestic sponsorship, official suppliers, ticket revenues and licensing (DCMS, 2005). The LOCOG budget will cover:

- administrative costs;
- venue rents;
- operational costs of the athletes' village;
- transporting athletes and officials;
- medical and support services and in-venue security.

(Greater London Authority, 2006)

Domestic sponsorship, it is thought, will account for approximately 30% of the budget needed to stage the Games (DCMS, 2007). There will be three tiers of domestic sponsorship. In the top tier there will be ten sectors where companies will have to pay at least £50m for a six-year association with the London 2012 Games (GLA, 2006) and according to BBC News (2006), when the second and third-tier sponsors are confirmed as partners with LOCOG, there could be as many as 100 firms sponsoring the Games.

The ODA budget figure released by the Government: Department for Culture, Media and Sport in March 2007 was £9.325bn and The National Lottery is expected to contribute £2.175bn (DCMS, 2007). However, it is the National Lottery contribution which has been under some doubt (London Assembly Economic Development, Culture, Sport and Tourism Committee, 2008). Since the National Lottery Act was introduced in 1993, 28% of the revenue has been donated to 'good causes' through official National Lottery Distributors. This figure amounts to over £21bn (National Lottery, 2008). Sport has received 16.7% of that 28% share of 'good causes' revenue since 2005, and 20% previous to that (DCMS, 2006). Other 'good causes' including charities, health, education and the environment receive 50% and the arts and heritage councils also 16.7% each. There are currently 14 official distributors of National Lottery money. The distributors have been set up by the Government to determine how funding is allocated. These include:

- Olympic Lottery Distributor www.olympiclotterydistributor.org.uk
- Arts Council England www.artscouncil.org.uk
- Arts Council of Northern Ireland www.artscouncil-ni.org

- Arts Council of Wales www.artswales.org.uk
- Big Lottery Fund www.biglotteryfund.org.uk
- Heritage Lottery Fund www.hlf.org.uk
- Scottish Arts Council www.scottisharts.org.uk
- Scottish Screen www.scottishscreen.com
- Sport England www.sportengland.org
- Sports Council for Northern Ireland www.sportni.net
- Sports Council for Wales www.sports-council-wales.co.uk
- SportScotland www.sportscotland.org.uk
- UK Film Council www.ukfilmcouncil.org.uk
- UK Sport www.uksport.gov.uk

The newest, the Olympic Lottery Distributor, was set up following London's successful bid for the Games and uses money raised by the National Lottery to fund, directly, the delivery of the London 2012 Games (Wallis, 2007). However, with the rising costs of delivering the Games, and the National Lottery's £2.175bn target contribution to the budget, it will mean that money is siphoned away from the other 'good causes' in favour of the Olympics. This diversion of funds comes with the promise that they will be paid back from the sale of the 'Olympic Green' site after the Games has been staged (National Audit Office, 2007). The London Assembly Economic Development, Culture, Sport and Tourism Committee (2008) states that this diversion will be as much as £1.085bn.

Mixed messages: implications for ethical sponsorship of the Olympics Games

> However vaguely defined in the past, the values of the Olympics were at least given lip-service as representing a pinnacle of sporting aspiration and human achievement. Now, under the influence of extreme commercialisation, they have been debased to the point of becoming empty advertising clichés (Milton-Smith, 2002: 20).

Many authors writing on the Olympic movement have claimed that the commercial aspect of the Games now outweighs the sporting celebration (Beamish, 1993; Gruneau and Cantelon, 1988; Lenskyj, 2002; Milton-Smith, 2002; Tomlinson and Whannel, 1984). It is interesting to note that from the late eighties-onwards, these commentators were

expressing serious concerns that the main objective for the sponsors was that the public associate their products predominantly with the Olympics and the Olympic Movement (Gruneau and Cantelon, 1988; Miyazaki and Morgan, 2001 cited in Dolphin, 2003). However, McDaniel and Mason (1999) cited in Dolphin (1999) report that the IOC's refusal to entertain sponsor partnerships with tobacco and alcohol companies is because these products are not considered harmonious with Olympic ideals such as health promotion. However there are grey areas, such as the alcohol ban, which is now widely interpreted as a ban just on 'hard-liquor'. For example, many National Olympic Committees (NOCs) engage in sponsorship with beer companies. The Beijing 2008 Games had three official beer suppliers: Budweiser, Tsingtao and Yanjing (Mathiason, 2008).

In newly-industrialized countries the expansion of the multi-national fast-food chains has meant that these populations are changing their diet towards a higher intake of fat, sugar and salt (Zimmet, 2000) and that there is also a marked increase in non-communicable diseases in those countries, diseases such as obesity, cardio-vascular diseases, acquired type II diabetes and cancer (Raoult-Wack and Bricas, 2002; Zimmet, 2000). Coca-Cola and McDonalds are two companies that might be considered to be contributing towards this trend. An ethical dilemma seems to emerge for the IOC who appear to have selected partnership with wealthy sponsors who, by virtue of their product's main ingredients, contradict the IOCs own aims and ideals regarding health. Highlighting this contradiction, there are a number of IOC publications which specify their commitment to world-wide health promotion. For example:

> The IOC and the WHO [World Health Organisation] are committed to encouraging the development of sport and physical education so that they become an integral part of a lifestyle which protects and promotes health and prevents illness and infirmity. (IOC/WHO, 1994 cited in IOC, 2000)

In the 1980s, academics were questioning the relevance of these products to elite sport, and the Olympics specifically (Gruneau and Cantelon, 1988), with the obvious mixed messages about leading fit and healthy lifestyles. However, by ignoring such well-reasoned advice, the IOC and its sponsors appeared to have discovered an avenue of mutual benefit and gain. 'Survive and prosper' might now be the new Olympic motto where sponsorship and commercialisation are the real winners in the Olympic race. That is, that without the sponsorship deals of mega-sporting events like the Olympics, companies such as Coca-Cola and McDonalds might not have achieved the 'market penetration' and global notoriety that they have experienced. Consequently, are the IOC sponsoring their own demise by actively promoting such globally destructive and 'dangerous to health' products? Again, this is an interesting question to consider as large

corporations do not spend this sort of money unless they are going to reach a major share of their target audience. Most of that target audience will also have very little participatory relevance to elite sport, but will still enjoy the spectacle. This may be in the same way that each week several thousand overweight and relatively unskilled individuals will pay to watch Premiership football, without ever being able to play the game at a high standard. So, does the make-up of the audience have any effect on the perceived quality of the spectacle? Does sponsorship from McDonalds and Coca-Cola somehow legitimise a reliance on fast-foods on the basis that '…if it's ok for them it's ok for me'? That is, on this particular count, there may be a genuine conflict between lifestyle ideals with Olympic ideals, made harder to realise by the deceptive comfort of sponsorship from familiar brand names.

The impact of financing the London 2012 Olympics

> We need support not just at elite level but also with facilities to encourage youngsters to take up sport, not just for the Olympics but for the general well-being of the nation. (Clegg cit. in Guardian, 2008).

Whilst LOCOG is looking at delivering the ever-ubiquitous 'best games ever', it has stated that the money it raises from sponsorship deals cannot be diverted to help UK athletic training preparations for the London 2012 Games (GLA, 2006). This issue of 'non-diversion' of funds has been aggravated by the fact that of the £600m that was promised to UK Sport, the £100m needed from sponsors has been reduced to £79m, which is proving very difficult too raise to date (BBC News, 2008b). So, where will the money come from if not from sponsorship programmes? The Department for Culture, Media and Sport (2007) recommend that the Government should cover the cost of any projected shortfalls, but the Government has advised that under the terms of the new National Lottery licence, more money will be raised for good causes like sport (BBC News, 2008b). However, is funding the Olympics deemed a 'good cause' despite its obvious involvement with sport? A serious implication may be that the sporting competition at the Olympics is now incidental, a compulsory side show, which renders available a huge commercial opportunity for multi-national companies and may even boost a government's plans for regeneration. For example, winning host status for the 2012 London Games has provided some useful impetus for the London Gateway Project which was established long before a London Olympics was envisaged seriously. The Gateway Project is an ambitious plan to regenerate the East End of London and the Olympics are a convenient aspect of the regeneration plans for the area concerned (Livingstone, 2005).

The contribution of National Lottery money into the UK economy has been huge; a detail which is reflected by the fact that over £3bn of National Lottery money has been invested

in sports across the UK since 1993 (Lottery Funding, 2008). In 2006, The Department for Culture, Media and Sport announced that National Lottery money had created over 100 new swimming pools, over new 100 sports halls, 100 new athletics tracks, over 150 artificial turf pitches and nearly 200 new playing fields. The National Lottery contribution to the London 2012 Games will be over two thirds of that £3bn figure. The chart below shows the extent of diversion of National Lottery revenue and how National Lottery proceeds will be funnelled into the budget of the ODA.

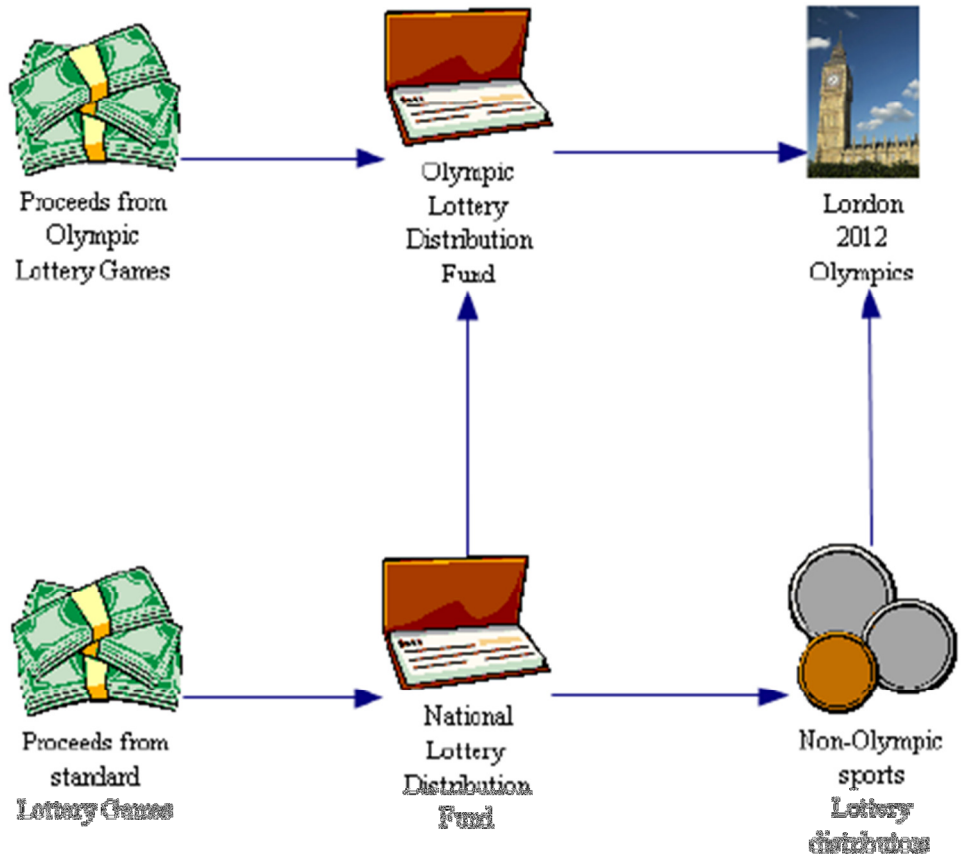


Figure 1 – Diversion of National Lottery funding to the London 2012 Olympics. Adapted from: London Assembly Economic Development, Culture, Sport and Tourism Committee (2008)

The price of hosting the London 2012 Games could be to divert money from grass-roots sport. It has been reported that budgets for local sports bodies have been reduced by £70m in order for London to deliver the Olympics and that £540m of National Lottery money, that would have been earmarked for grassroots sport, has already been diverted to the Games (Merrick, 2008). Consequently, the shadow cabinet have accused the Government of '…raiding grassroots sports budgets' (BBC News, 2008c) in an effort to fund the Games. Some critics are quick to point out that the Olympics are only exacerbating an

issue that existed long before London even won the bid for the 2012 Olympics, '…Grass-roots sport has long been under-resourced and we've been talking about it long before we had the Olympics to blame (SportsAid's Tim Lawler speaking to BBC Sport in 2007). The culture secretary's ambitious plans to offer all young people in the UK 5 hours of sports coaching per week by 2012 (Mulholland, 2008) seem almost a contradiction in comparison. Especially given that in the run-up to the London 2012 Games, the Government is contributing £5.975bn to the ODA budget to provide the infrastructure for one sporting event whilst it has only invested £1.5bn in school sport since 2002 (Mulholland, 2008). Evidence of this kind, echoes comments from Gruneau and Cantelon (1988:164) who criticised the commercialisation of the L.A. 1984 Games, '… a highly specialised and commercially-orientated elite sport is being supported here, not the form of recreational sport for the broadest possible number of participants'. Is this the legacy that the IOC and LOCOG want to create?'

Conclusion

The intention of this article has not been to cast Olympic funding programmes in a poor light, but more to flag-up their international and domestic implications. There have been positive beneficiaries of Olympic sponsor partnerships, including the LA84 Foundation and the Olympic Solidarity programme which are examples of Olympic Legacy helping to realise some of Coubertan's Olympic Ideals such as developing education and international understanding. As the economic climate for international sport has changed so sponsorship has come to make a critical contribution allowing the Games to continue as a pinnacle for sporting endeavour for many athletes. This is however, to the extent that the IOC may now be totally dependent upon it, as acknowledged by Dick Pound, Vice President of the IOC:

> Take away sponsorship and commercialism from Olympic Sport and what is left? A large, sophisticated, finely-tuned engine developed over 100 years with no fuel (Pound, n.d. cited in Hodder, 2001).

At the core of this statement from Dick Pound there seems to be a conflict of ideals between 'ideal' lifestyle messages and Olympic ideals concerning education, health promotion and international understanding. Sitting somewhere between these ideals are the demanding practicalities of funding the largest sports event in the world and assuring its survival into the 21st Century. The message, as a result of commercial trends on a global scale seems to be that we should endure the ethical contradictions in the short term, in order to stage the Olympic spectacle and then to realise the positive legacy that the Olympics can provide. If this is the case, are the IOC sponsoring this deception themselves, merely in order to survive?

Closer to home, in preparing for London 2012, there could be a negative social impact from diverting National Lottery money away from the other 'good causes' which could have a detrimental effect upon local and, particularly, 'at-risk' communities of the UK. A key consideration now may be for the domestic bodies involved with delivering the Games to find an acceptable balance between commercial sponsorship and National Lottery money that might allow people to genuinely enjoy the Olympic celebration of sport in 2012 rather than enduring them like an unwelcome visitor.

References

Amis, J. and Slack, T. (1999) Sport sponsorship as distinctive competence. *European Journal of Marketing*. 33, 3-4, 250-272.

Barney, R., K (2004) Prologue: The Ancient Olympics. In Findling, J.E. and Pelle, K.D. (eds.) *Encyclopedia of the Modern Olympic Movement* (pp. XXXII –XL.). Greenwood Press, Westport.

BBC News (2006) Olympics lining up financial rewards. *BBC News* [online]. Available at: http://news.bbc.co.uk/1/hi/business/4861024.stm (accessed 21st August 2008).

BBC News (2008a) Public 'fearing Olympics failure'. *BBC News* [online]. Available at: http:// news.bbc.co.uk/nol/ukfs_news/hi/newsid_7590000/newsid_7599300/7599360.stm (Ac-cessed 5th September 2008).

BBC News (2008b) Sponsors sought to cover 2012 gap. *BBC News* [online]. Available at: http://news.bbc.co.uk/1/hi/uk_politics/7572043.stm (accessed 21st August 2008).

BBC News (2008c) BP to sponsor London 2012 Games. *BBC News* [online]. Available at: http://news.bbc.co.uk/1/hi/england/london/7486966.stm (accessed 21st August 2008).

BBC Sport (2007) 'Heroes' will be Olympic legacy. *BBC Sport* [online]. Available at: http:// news.bbc.co.uk/sport1/hi/other_sports/olympics_2012/6295701.stm (accessed 23rd August 2008).

Beamish, R. (1993) Labour relations in sport: Central issues in their emergence and structure in high Performance Sport. In, A.G. Ingham and J.W. Loy (eds.) Sport in Social Development. Human Kinetics: Champaign, Ill.

Booth, R. (2008) Athletes forced to cosy up as £250m shortfall hits London's Olympic vil-lage. The Guardian [online]. Available at: http://www.guardian.co.uk/uk/2008/sep/06/olym-pics2012.housing (accessed 6th September 2008).

Brichford, M. (2002) Avery Brundage and American Nationalism at the Olympic Games. The Global Nexus Engaged, Oct: 223 - 227.

British Medical Association (2005) *Preventing Childhood Obesity*. British Medical Association Publications Unit: London.

D'Alessandro, D. and Owens, M. (2001) *Brand Warfare: 10 Rules for Building the Killer Brand: Lessons for New and Old Economy Players.* McGraw-Hill: New York.

Department for Culture, Media and Sport (2005) *Memorandum submitted by the London Organising Committee for the Olympic Games (LOCOG)* [online]. Available at: http://www.publications.parliament.uk/pa/cm200506/cmselect/cmcumeds/552/5101802.htm (accessed 21st August 2008).

Department for Culture, Media and Sport (2005) Lottery share consultation paper [online]. Available at: www.culture.gov.uk/images/consultations/lottersharesconsultationpaper.rtf (accessed 21st August 2008).

Department for Culture, Media and Sport (2007) *London 2012 Olympic Games and Paralympic Games: Funding and Legacy*. The Stationary Office Limited: London.

Dolphin, R. R. (2003) Sponsorship: perspectives on its strategic role. *Corporate Communications: An International Journal*. 8, 3, 173 - 186.

Easton, J. (1994) The Games leave a legacy and tradition of sports. *Olympic Review*. 326, 572 - 576.

Giannoulakis, C. & Stotlar, D. (2006). Evolution of Olympic sponsorship and its impact on the Olympic Movement. In N. B. Crowther, R. K. Barney, & M. K. Heine (eds.) *Cultural Imperialism in Action Critiques in the Global Olympic Trust: Eighth International Symposium for Olympic Research* (pp. 180–190). Ontario: International Centre for Olympic Studies.

Girginov, V. and Parry, J. (2005) *The Olympic Games Explained: A Student Guide to the Modern Olympic Movement.* Routledge: Oxon.

Greater London Authority (2006) *Budget committee work programme 2006/07* [online]. Available at: www.london.gov.uk/assembly/budgmtgs/2006/budjul20/item08.rtf (accessed 21st August 2008).

Gruneau, R. and Cantelon, H. (1988) Capitalism, commercialism and, the Olympics. In, J. O. Seagrave and D. Chu (eds.) *The Olympic Games in Transition*. Human Kinetics: Champaign.

International Olympic Committee (2000) *Sport for All and the IOC*. International Olympic Committee: Lausanne.

International Olympic Committee (2008a) *Olympic Marketing Factfile 2008 Edition*. International Olympic Committee: Lausanne.

International Olympic Committee. (2008b) *Olympic Sponsorship. Top Programme* [online]. Available at: http://www.olympic.org/uk/organisation/facts/programme/sponsors_ uk.asp (accessed 21st August 2008).

Hodder, S. (2001) Olympic marketing – an overview [online]. Available at: http://www.iprights.com/cms/templates/articles.aspx?articleid=40&zoneid=2 (accessed 22nd September 2008).

Lee, J. K. (2005) Marketing and Promotion of the Olympic Games. *The Sport Journal*. Available at: http://www.thesportjournal.org/article/marketing-and-promotion-olympic-games (accessed 22nd September 2008).

Lenskyj, H. (2002). *The Best Olympics Ever? Social Impacts of Sydney 2000*. Albany State University: New York.

Livingstone, K. (2005) *London 2012 Olympics: First Steps. House of Commons transcript - Select Committee on Culture, Media and Sport, minutes of evidence and examination of witnesses Oral Evidence given by Mr Ken Livingstone, Mary Reilly (Chair, London Devel-opment Agency), Lord Moynihan (Chair, BOA), Mr Simon Clegg (Chief Executive, BOA), Mike Brace OBE (Chair, British Paralympic Assoc) 1st November 2005* [online]. Available at:

http://www.publications.parliament.uk/pa/cm200506/cmselect/cmcumeds/552/5110103.htm (accessed 27th March 2006).

London Organising Committee of the Olympic Games and Paralympic Games (2008) *International and UK Partners* [online]. Available at: http://www.london2012.com/about/ the-people-delivering-the-games/international-and-uk-partners/index.php (accessed 21st August 2008).

London Assembly Economic Development, Culture, Sport and Tourism Committee (2008) *The Impact of the 2012 Games on Lottery Funding in London*. Greater London Authority: London.

Lottery Funding (2008) *Did you know?* [online]. Available at: http://www.lotteryfunding.org. uk/uk/did_you_know.htm (accessed 21st August 2008).

Martyn, S., G., Kossuth, R., S. and Gillespie, G. (1998) Journal Article Reviews. *Olympika. The International Journal of Olympic Studies*. 7, 157-171.

Mathiason, N. (2008) Sponsors also aim for Olympic gold. *The Observer* [Newspaper]. Pub-lished: Sunday 6th January.

Merrick, J. (2008) Children's sport is paying for the 2012 Olympics. *The Independent* [online]. Available at: http://www.independent.co.uk/news/uk/politics/childrens-sport-is-paying-for-the-2012-olympics-899780.html (accessed 21st August 2008).

Milton-Smith, J. (2002) Ethics, the Olympics and the search for global values. *Journal of Business Ethics*. 35, 131-142.

Mullholland, H. (2008) Burnham sets out sport plans in run-up to 2012 Olympics. *The Guardian* [online]. Available at: http://www.guardian.co.uk/politics/2008/aug/29/politic-sandsport.olympics2008 (accessed 29th August 2008).

National Audit Office (2007) *The Budget for the London 2012 Olympic and Paralympic Games - Executive Summary*. The Stationary Office Limited: London.

National Lottery, The (2008) *Where the money goes* [online]. Available at: http://www.nation-al-lottery.co.uk/player/information.do?info=wheremoneygoes (accessed 21st August 2008).

Neenan, B (2008) Olympics: Clegg calls for caution over 2012 as Olympians urge help for all. The Guardian [online]. Available at: http://www.guardian.co.uk/sport/2008/aug/26/olym-pics2008.britisholympicteam (accessed 26th August 2008)

Nixon, H., L. (1988) The background, nature, and implications of the organisation of the 'Capitalist Olympics'. In, J. O. Seagrave and D. Chu (eds.) *The Olympic Games in Transition*. Human Kinetics: Champaign.

Parliamentary Office of Science and Technology (2003) Childhood Obesity. *Postnote*. 205, 1–4.

Papadimitriou, D., Apostolopoulou, A. and Dounis, T. (2008) Event sponsorship as value creating strategy for brands. *Journal of Product and Brand Management*. 17, 4, 212-222.

Payne, M. (2006) *Olympic Turnaround: How the Olympic Games Stepped Back from the Brink of Extinction to Become the World's Best Known Brand*. Greenwood Publishing Group: Westport.

Pound, R., W. (1986) The International Olympic Marketing Programme. *Olympic Review*. 220, 84–86.

Raoult-Wack, A. and Bricas, N. (2002) Ethical issues related to food sector evolution in developing countries: about sustainability and equity. *Journal of Agricultural and Environmental Ethics*. 15, 3, 323-334.

Seagrave, J.O. and Chu, D. (1988) Issues and problems. In, J. O. Seagrave and D. Chu (eds.) *The Olympic Games in Transition*. Human Kinetics: Champaign.

Shafi, G. (2006) Burger babies: the future is fat. *Student British Medical Journal*. 14, 38 – 39.

Strenk, A. (1988) Amateurism: The myth and the reality. In, J. O. Seagrave and D. Chu (eds.) *The Olympic Games in Transition*. Human Kinetics: Champaign.

Sweeney, M. (2006) Total ban for junk food ads around kids' shows. *The Guardian* [online]. Available at: http://www.guardian.co.uk/society/2006/nov/17/health.food (accessed 20th August 2008).

Tomlinson, A. and Whannel, G. (1984) *Five Ring Circus - Money, Power and Politics at the Olympic Games.* Pluto Press: London.

Wallis, B. (2007) *Factsheet: The delivery structures for the London 2012 Olympic and Paralympic Games* [online]. Available at: http://www.olympiclotterydistributor.org.uk/docs/content/delivery_structures_factsheet_with_logo.pdf (accessed 21st August 2008).

Whitmore, J. (2002) *Coaching for Performance*. 3rd Ed. Nicholas Brealey Publishing, London.

Zimmet, P. (2000) Globalization, 'coca-colonization' and the chronic disease epidemic: can the Doomsday scenario be averted? *Journal of Internal Medicine*. 247, 301-310.

JQRSS: Acknowledgement Footnote

1. Since my first publication in Vol. 1 of JQRSS I have developed a great deal of confidence in my academic writing and the mentoring and review process has, once again, helped me to argue points more critically. Writing for publication/public consumption is very different to writing an assignment and this awareness has helped me to see how issues can be presented to stimulate discussion and thoughts, definitely a motivating experience.

2. James is 26 years old, a mature student in the third year of his BSc (Hons) Sports Development and Sport Studies Degree. James has a deep passion for sport, whether it be playing, coaching or officiating and is fanatical about

football. James has coached in a number of sports (predominantly swimming, football and hockey) working with young people mainly from inner-city areas of Liverpool. He has enjoyed these opportunities to write and is keen to progress into some postgraduate study in the area of sports sociology.

3. Dear reader, if this article has stimulated your thoughts and you wish to find out more about this topic the authors can be contacted on: James Kenyon: J.AKenyon@lboro.ac.uk and Clive Palmer: capalmer@uclan.ac.uk.