



## 7 SALT LAKE 2002 LICENSING

OLYMPIC GAMES LICENSING PROGRAMMES REPRESENT THE OLYMPIC IMAGE AND PLACE IN the hands of consumers tangible souvenirs from the Games. With a wide range of apparel and other merchandise that carried the Salt Lake 2002 emblem, design elements, pictogrammes and mascots, the 2002 Olympic Winter Games souvenirs expressed the unique culture of the American West and shared the inspirational spirit of the Games.

The Salt Lake 2002 licensed merchandise programme fulfilled four major goals:



- ↓ The Salt Lake 2002 licensing programme offered themed lines of high-quality merchandise befitting the prestige of the Olympic Image.
- ↓ The programme offered an array of traditional merchandise that communicated the Olympic Image.
- ↓ The programme offered a variety of eccentric items that conveyed important aspects of the local color of Utah and the culture of the American West.
- ↓ The SLOC recruited local companies for participation in the programme and helped to further stimulate the local economy.








## Salt Lake 2002 Olympic Licensing Success

The Salt Lake 2002 licensing programme was highly successful, establishing associations with manufacturers that helped to promote the identity of the Olympic Winter Games, generate retail sales and provide royalty revenue support for the staging of the Games.

-  The SLOC established approximately 70 commercial associations with licensees to manufacture merchandise commemorating the 2002 Olympic Winter Games.
-  The Salt Lake 2002 licensing programme generated gross retail sales of US\$500 million.

The Olympic Superstore for Salt Lake 2002, which operated in downtown Salt Lake City from 15 December through 28 February, was crucial to the success of the Olympic Winter Games licensing programme.

-  The Olympic Superstore received more than 320,000 customers, with an average of 10,000 customers per day during the Games. The Olympic Superstore generated US\$87.80 in average spending from each customer.
-  The Olympic Superstore sales exceeded the SLOC's target of US\$11 million by Day 8 of the Games.


*"The Salt Lake 2002 licensing programme provided opportunities for many relatively smaller companies to connect with consumers and to share in the Olympic spirit by creating high-quality merchandise that expressed the special character of these Games. The success of the programme provided great support for the staging of the Games and proved how appealing official Olympic Games merchandise is to consumers."*  
 — Mark Lewis, President and Chief Executive Officer, OPUS; Vice President, Marketing and Licensing, SLOC; Managing Director, Sales and Corporate Sponsorships, USOC



## Salt Lake 2002 Licensing Development and Management

The Salt Lake 2002 licensing programme began after the launch of the 2002 Olympic Winter Games emblem in late 1997, and the SLOC developed the programme over a period of years — through recruitment of licensees, product line development, merchandise distribution and programme management.

The SLOC made a strong effort to involve local companies in the licensing programme, both as a means to provide opportunities for smaller companies to participate in the Winter Games as well as to stimulate the local economy. The SLOC pursued companies that had strong presence within the local community — such as Marker, a well-known company throughout Utah, which served both as an Olympic apparel licensee and as the outfitter of the Salt Lake 2002 volunteers.

The SLOC sought to ensure high quality across all merchandise lines and worked to clearly define product categories, ensuring that Olympic products would be available in a broad sample of styles and at a wide range of prices.

Salt Lake 2002 merchandise distribution was extremely successful at the local level overall.

-  New merchandise using Salt Lake 2002 Olympic pictograms and mascots were introduced to make new 2002 Olympic products constantly available to consumers.
-  The Olympic Superstore opened in December 2001 in Salt Lake City, in the heart of what would become Salt Lake Olympic Square. The Olympic Superstore and the merchandise outlets at Olympic venues were managed by Concept Sports. During the Games, long queues formed outside the Olympic stores, proving the appeal of Salt Lake 2002 merchandise. The SLOC also established agreements with supermarkets and general stores throughout Utah to carry Olympic merchandise.
-  The SLOC achieved great success with a segmented market strategy, creating one range of merchandise that would only be available at Olympic venue outlets and another range of merchandise only available at the Olympic Superstore.
-  75% of Salt Lake 2002 Olympic Winter Games merchandise was sold six months prior to and during the Games.

The SLOC co-ordinated a programme to protect the integrity of the Olympic Image, the value of the Olympic Games licensing programme and the rights and investments of Salt Lake 2002 licensees. Within the brand protection programme, the SLOC collaborated with the U.S. Federal Bureau of Investigation, U.S. Customs, the Chamber of Commerce and local police to prevent the manufacture and distribution of counterfeit merchandise.





## Making the Olympic Licensing Investment

Olympic Games licensing is a valuable opportunity that provides several benefits, including:

- ⬇ opportunities to enhance brand awareness, increase sales, strengthen presence in specific markets and expand into new markets
- ⬇ opportunities to develop new merchandise and product lines
- ⬇ opportunities to develop close contact with consumers and to communicate good corporate citizenship

Marker, a clothing and apparel manufacturer, outfitted the 2002 Olympic volunteers and provided many Olympic sponsors with corporate uniforms. Marker utilised its position as a Salt Lake 2002 licensee to push awareness of the brand outside of Utah and the U.S., as well as to increase its market share in the ski apparel business both through the sale of Olympic merchandise and repeat purchase from volunteers who used Marker products during the Games.

Dale of Norway, manufacturer of fine Norwegian sweaters and cardigans increased its involvement in the Olympic Movement, which began in 1956, by becoming a licensed merchandiser for the 2002 Olympic Winter Games. Dale continues to see increased brand image and value as the most significant long-term benefit of its association with the Olympic Winter Games.

 *"Dale of Norway's link to the Olympic Movement has been an integral component to our success. While Dale of Norway exceeded its sales goal of US\$20 million, we believe the true legacy will be the unique brand synergy between Dale and the Olympics. Our shared heritage and values provide a solid foundation upon which to build a mutually rewarding alliance for many years to come."*  
 — Sturle Harald Pedersen, CEO, Dale of Norway AS

O.C. Tanner provided the Olympic medals for the 2002 Olympic Winter Games and became a Salt Lake 2002 licensee to demonstrate good corporate citizenship, to enhance its brand and to increase consumer awareness. For O.C. Tanner, being a Salt Lake 2002 licensee provided motivation to create new products and opened the door for e-commerce sales.

Fine Art, an Olympic licensee since the 1996 Olympic Games, produced and sold commemorative art projects for the 2002 Olympic Winter Games. The company specialises in creating artistic merchandise to commemorate events, and the Olympic Games provided Fine Art with an opportunity to reap the benefits of involvement in the world's greatest and most far-reaching event.



## Leveraging the Olympic Licensing Investment

To leverage the Olympic licensing investment, Salt Lake 2002 Olympic licensees marketed their merchandise in innovative ways that provided effective points of contact with target markets.

Marker, in conjunction with KSL, the NBC Salt Lake broadcast affiliate, created a special television advertisement to promote its products and the companies association with the 2002 Olympic Winter Games. Marker's comprehensive advertising campaign also included print advertisements placed in local and regional publications as well as an ad in the 2002 Olympic Winter Games Official Souvenir Programme.

To promote its merchandise at retail outlets, Dale of Norway created point-of-purchase materials, banners and posters. Dale also created print advertisements for its Salt Lake 2002 Olympic merchandise with reference to retail outlets. The U.S. — and, on a larger scale, North America — has now become the largest market for Dale.

To generate interest in its support for the Games and to enhance awareness of its Olympic merchandise, O.C. Tanner focused on in-store displays, advertising, and a public relations campaign that resulted in many media stories on the company. To further market its products to customers, O.C. Tanner developed a special line of jewelry, a brochure for Team 2002 Volunteers, as well as new packaging to enhance the appeal of its products. The company experienced great success in the lead up to the Games, and needed to produce more jewelry products in December 2001 to meet demand.

- ⬇ O.C. Tanner experienced an overall retail sales increase of 15% from its association with the Games.
- ⬇ Approximately 1,000 newspaper and magazine articles mentioned O.C. Tanner's support for the Games, providing free media coverage valued at an estimated US\$50 million.