Sponsorship Management in Cricket: 
A Case Study of the Stanford Super Series, the West Indian Cricket Board and Digicel

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Abstract

On the 17th of February 2009 the Securities and Exchange Commission (SEC) formally charged Allen Stanford and two of his colleagues with fraud. The fraud related to the management of the Stanford Investment Group and involved the misrepresentation of investments to clients up to the value of US$8 billion. Before the charges were filed by the SEC Stanford was an active supporter of sporting events and tournaments. The Stanford 20/20 domestic cricket series had been staged successfully and had boosted domestic interest in West Indian cricket. He built upon this domestic success with a proposal to develop an international series of matches. This case focuses on the management of sponsorship during the Stanford Super Series match on November 1st 2008. It does this by presenting a chronological analysis of the dispute between the WICB (West Indian Cricket Board) and Digicel, their title sponsor. Issues preceding the series were linked to a history of tension between the sponsor, their competitors, and the players and management staff of West Indian cricket. The dispute resulted in the British High Court verdict brought by Digicel against the WICB and Stanford as the Super Series promoter. The case has implications for the management of sports sponsorship in addition to the broader management of the sport of cricket. The paper concludes with some recommendations for policy actions which may prevent this type of dispute from occurring in the future.
Introduction

The Stanford Super Series match involving England and the Stanford Superstars has received significant media attention in the British and Caribbean press since its official announcement in April 2008. With US$20 million for the winner and nothing for the loser the match has been hyped by the national governing bodies involved, while criticised by some former players and coaches (Atherton, 2008; Fletcher, 2008; Fraser, 2008) and criticised as not in the ‘spirit of cricket’ by others (Brenkley, 2008; Moss, 2008). The event also led to a dispute with regard to the commercial rights to the event. The essence of the dispute was the staging of a match that made use of players from across the countries of the West Indies to represent the region as an All Stars team. The sale of the commercial rights for this team was contentious as Digicel, a telecommunications company and the official West Indies title sponsor, was initially prevented from exerting what it believed to be its contracted rights.

The management of sponsorship is a critical area for sport organisations as the importance of commercial revenues assists in maintaining operations (Lagae, 2005), and recent economic turbulence can only increase this importance further. Chadwick and Thwaites (2005) found that sponsorship agreements can suffer from poor management and are increasingly complex to manage requiring high levels of communication between the partners whilst focusing on the long-term benefits of the relationship. This paper presents a case study that chronologically details the dispute between the West Indian Cricket Board (WICB) and Digicel over the Stanford Super Series (the Series). The case study will also present implications for the management of key stakeholders when new events and funds enter the sports market. To do this the paper is divided into the following sections; first the key actors are introduced. A brief overview of relevant crises in international cricket is examined before leading into a section on the commercial platform of cricket. The following section will briefly highlight how this platform has caused tension within West Indian cricket in recent years. Following this an overview
of the sponsorship dispute is discussed highlighting the major points of discontent and how they were resolved. Following from this a discussion will focus on critical issues in not only the management of sponsorship but also for the management of the game of cricket. The paper will conclude with a discussion of the implications of the present case and ways of preventing these situations from occurring in the future.

Key Actors in the Case

This section addresses the key actors in the case study and will serve as an introduction to the West Indian Cricket Board, their official sponsor Digicel and Allen Stanford.

West Indian Cricket Board

The governance of West Indian cricket is an interesting situation as it involves managing an international team across a collection of sovereign countries. These countries play international cricket as the nation of the West Indies, whereas in association football each country plays individually (such as Trinidad & Tobago and Jamaica at recent FIFA World Cups). The region of the West Indies is a former world power in cricket that dominated the game from the mid 1970s to the early 1990s. The WICB is the governing authority in charge of achieving this outcome in this region. The mission of the WICB is ‘to develop and promote West Indies cricket for the benefit and enjoyment of the West Indian people, its clients and other stakeholders by procuring a consistently high-quality, successful and international West Indian product’ (WICB, 2008). Therefore it is clear that the governance of cricket involves more than just organising cricket matches. Governing bodies like the WICB are also responsible for managing the development of the sport within the region and also managing the sovereign nations that supply the cricketing product (the matches and tournaments). This latter point is unique to the WICB as no other cricket governing body has this management challenge. Despite the former years of on-field success the WICB has not converted this success to off-field matters, particularly in relation to financial management or general administrative competence and so was failing to fulfil its mission
(Crozier, 2008a). It also failed to act on significant reviews into its operational procedures (Crozier; Hopwood, 2007).

**Digicel**

Digicel are one of the main providers of mobile telephony through the West Indian region. Digicel, owned by Irish entrepreneur Denis O’Brien, entered this market in 2002 and expanded rapidly outstripping the former incumbent communications provider, Cable & Wireless. Both of these two organisations dominate the telecommunications market in the region. The two organisations have a fractious history that led to court action between the companies over uncompetitive trade practices (Richards, 2005). With regards to their involvement in the sport of cricket Cable & Wireless was the long-term sponsor of the WICB from the mid 1980s to 2004 (Williamson, 2004). Digicel entered into a US$20 million 5-year agreement with the WICB in July 2004. At the time of the deal Digicel was the largest and fastest expanding mobile operator in the region. The sponsorship agreement covered areas ranging from national team to junior development in the form of scholarship and tournaments, with bold statements claiming that the deal’s purpose was to enable West Indies Cricket to “get back to the top of world cricket” (Digicel, 2004).

**Allen Stanford**

Allen Stanford is the chairman and chief executive of the Stanford Financial Group which includes a number of companies, notably the Stanford International Bank which is located in Antigua, a nation of the West Indies. The organisation that he controls is second to the government as the largest employer on the island. It is this aspect of the business that has recently been investigated by the Securities and Exchange Commission in the United States for potential fraud. However Stanford has been involved in a number of sporting events such as the St. Jude Classic golfing tournament that bears his name, to rounds of the Sony Ericsson Tennis championship (Clark, 2008). His involvement in cricket in the West Indian region was highlighted by the Stanford 20/20 series where he instead provided a significant amount of funds. The creation of this Twenty-20 competition for the domestic nations of
the West Indies did much to promote the sport in the region from a grassroots level. While the larger cricket community in the region welcomed the initiative it was not officially sanctioned by the WICB. Nevertheless the WICB did not oppose the tournament and the Stanford 20/20 was held for the first time in 2006. Not only did it generate interest for cricket in the region it captured the attention of world cricketing authorities for its carnival like nature and its ability, like the English Twenty-20 competition, to revive interest in domestic cricket.

**Cricket’s Commercial Platform**

The sponsorship platform for cricket domestically and internationally is similar to other major international sports. The international body that governs the game is the International Cricket Council (ICC). The ICC is based in Dubai and operates a number of committees that report to an executive board. The management of the operational committees is run through a delegate system where each nation or region is represented at the next level up.

The major properties of the ICC are explained in Table 1. The ICC also owns the rights to the international umpires, which serve each top-tier match.

**Table 1: ICC Cricket Commercial Properties**

<table>
<thead>
<tr>
<th>Tournament</th>
<th>Details</th>
<th>Current Title Holder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cricket World Cup</td>
<td>A quadrennial one-day 50-over tournament of the recognised test playing nations and four qualifiers from the World Cricket League.</td>
<td>Australia</td>
</tr>
<tr>
<td>Champions Trophy</td>
<td>A quadrennial one-day 50-over tournament of the 8 top One-day ranked sides. The event is staged in the interceding years of the Cricket World Cup.</td>
<td>Australia</td>
</tr>
<tr>
<td>World Twenty-20</td>
<td>A regular Twenty-20 tournament involving the recognised test playing nations and four qualifiers from the World Cricket League.</td>
<td>Pakistan</td>
</tr>
<tr>
<td>Women’s Cricket World</td>
<td>A quadrennial one-day 50 over tournament of the six top nations in Women’s Cricket.</td>
<td>England</td>
</tr>
<tr>
<td>Event</td>
<td>Description</td>
<td>Country</td>
</tr>
<tr>
<td>--------------------------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------</td>
</tr>
<tr>
<td><strong>Under 19 Cricket World Cup</strong></td>
<td>A biannual one-day 50 over tournament of sixteen teams for cricketers under the age of 19.</td>
<td>India</td>
</tr>
<tr>
<td><strong>World Cricket League</strong></td>
<td>A 7-division cricket league for the 94 Associate and Affiliate Members of the ICC. The league allows promotion and relegation allowing teams to move up the divisions.</td>
<td>Kenya</td>
</tr>
<tr>
<td><strong>Intercontinental Cup</strong></td>
<td>A relatively new event on the ICC programme this is the competition between the elite of the Associate Member nations. It is a 4-day game tournament (similar to the structure of County Cricket matches in England). The event aims to provide an accurate picture of the best Associate member nation.</td>
<td>Ireland</td>
</tr>
<tr>
<td><strong>Future Tours Programme (FTP)</strong></td>
<td>A competition structure that coordinates the fixtures of all test playing nations around an annual ranking system. The FTP regulates all official one-day and test match competitions between the member countries.</td>
<td>Test Series (2008): Australia One-day Series (2008): Australia</td>
</tr>
</tbody>
</table>

The ICC sells the commercial rights to all of the above properties. To do this the ICC operates a tiered commercial system with global partners (currently Emirates airlines, Pepsi and Reliance Telecoms) and broadcast partners (EPSN-Star and Yahoo). These sponsors are granted title sponsors for ICC events at the top of the tiered system. The suppliers and other partners are managed on a per-event basis by the World Cup organiser.

For the Cricket World Cup in the West Indies in 2007 a tiered structure of commercial arrangements was implemented as follows. The global partners of the event were Pepsi, LG, Hutchinson Telecommunications and Hero-Honda and below this level the official sponsors of the event were Cable & Wireless, Scotia Bank, and Indian Oil. The South Asian focus of many of these commercial supporters reflects the importance of this market to world cricket as it has been estimated that between 60-80% of world revenue comes from the Indian sub-continent (Bose, 2006; Mehta, 2007).
Given the delegate structure of the ICC member nations involved at an international level are managed at the national level and not by the ICC. Rarely do the organisations involved within an ICC member nation, the national governing body, the domestic teams and the players, coordinate their commercial strategies. There are three levels of commercial management within the game at the national level. The first aspect of commercial management is the series of agreements between the national governing body and their international teams. At this level sponsorship practices differ between countries and individual market factors such as population size, the degree a market is competitive and economic situation. To highlight this, Indian title sponsor Sahara paid US$70 million for a 4-year deal with the Board of Control for Cricket in India (BCCI) (Cricinfo, 2005) whereas in the UK Vodafone paid the England and Wales Cricket Board (ECB) US$26 million over the same period (Mintel, 2006). This can therefore dictate how financially secure the member nations are and lead to great differences in financial health.

The second level is the commercial management of the game within the national market. Each regional team that operates within these domestic competitions has its own commercial inventory that they negotiate. As an example each team within the Indian Premier League (IPL) competition arrange their own commercial rights. This at times can be seen to conflict with the official league structure. But as a league the sponsorship rights to the Indian Premier League were sold at US$1 billion for ten years. This is also managed through a tiered commercial platform featuring the Indian property group DLF as the title sponsor contributing 200 crore (US$40m) in revenues of over a 5 year period.

Nevertheless the domestic situation in many of the ICC member nations’ markets can involve considerable clutter as there are many teams competing and additional tiers of local sponsorship. Not only is clutter apparent but domestic cricket does not generate significant exposure for these sponsors, resulting in the acquisition of many smaller sponsors to contribute to
organisational coffers. Therefore the leveraging of these commercial deals requires careful consideration by partners and properties before investing at this level.

Of all the sporting products offered in cricket the limited number of overs of a Twenty-20 match restricts the broadcast to three-hours instead of eight and also importantly the format reduces the competitive imbalance that may exist between teams evident in one-day 50-over cricket making a greater spectacle. Started as a domestic competition to redress the majority media focus on international test and one-day matches it was a success. As a platform for sponsorship the product is exciting and innovative and able to attract new consumers to the sport (Hopwood, 2007; Hopwood and Edwards, 2008; Kitchin, 2008a). Importantly for the development of cricket support for the format is now clearly global as each cricketing region is developing new tournaments at amateur club (Anon, 2008) and professional county/regional levels (See Kitchin, 2008b)

1 To further complicate this commercial platform individual players also enter into their own commercial contracts. As per many other sports these stay with the player regardless of the particular level of competition. For many years the leading cricketer in India was Sachin Tendulkar. He had his endorsement rights acquired by Saatchi and Saatchi (Iconix) for US$41 million and generally he averages deals ranging between US$700,000 to US$900,000 per annum (Rao, 2006). In many countries players can earn substantially more through sponsorship and other commercial arrangement than they can through direct salaries. Upon the staging of an important cricket series the leveraging activities are increased to ensure that the link between the player and the sponsored property is reinforced in consumers’ minds. This can lead to conflict with the leveraging activities that the ICC uses in relation to the tournament creating clutter.

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1 The development of this cricket competition is outside the scope of this case however an overview can be found in a discussion paper by Kitchin (2008b)
A brief overview of the crisis in cricket (1976-2006)

It is not the aim of this case study to highlight the major crises that have occurred over the past thirty years in international cricket. However there are some relevant issues that lay the foundations of the issue central to this case. These will be addressed by focusing on two areas, the entry of entrepreneurs into the sport and the impact of commercialisation on the player-governing body relationship.

In 1976 an Australian television mogul, Kerry Packer, approached the Australian Cricket Board to broadcast the summer test series on his Channel 9 television station. This request was rejected by the Board who chose to stay with their traditional broadcaster the ABC (the Australian Broadcasting Corporation). Determined to acquire local content for his channel, he retaliated to the snub by placing the world's 35 top cricketers on contracts to play in his new cricket tournament called the World Series Cricket (WSC) (Haigh, 2007; McFarlane, 1977). In 1979 the outcome of the rift between Packer's cricket tournament and governing bodies in Australia and England resulted in a number of changes to the game's rules. Tournaments such as these were from that point deemed unsanctioned events and players who signed up for these tournaments could risk being banned from officially sanctioned events.

In 2007 the Indian Cricket League (ICL) was created after another media mogul once again failed to obtain official broadcast rights for Indian cricket tournaments. Similar to the Packer situation Sabhash Chandra made repeated unsuccessful bids for television rights to international cricket in India. The importance of cricket for Indian television programming cannot be understated (Mehta, 2007). Zee Telefilms, Chandra's company countered these rejections by creating their own league. As a result of this action the BCCI refused to sanction the competition which under international cricket rules, as a result of Packer, led to players being effectively barred from playing in other competitions. This power to sanction is one method that the
governing bodies of cricket can use to control the potential for new entrants into the market.

National governing bodies hold the power to grant official status to tournaments. When sanction has not been granted some governing bodies do not act to ban players; such is the case of the Stanford 20/20 domestic tournament in 2006. In the case of the Indian Premier League (IPL) the initiative for this new league arose from within the organisation. Therefore the IPL was able to guarantee all its players that their participation would be sanctioned. However it also gave the BCCI and IPL the right to bar any players who had played for the ICL. Given the rewards for playing in the IPL, the richest domestic cricket tournament in the world this is a considerable restraint.

One outcome from the Packer intervention was the establishment of playing contracts. Prior to 1976 international cricketers were not placed on individual contracts to represent their county. Contracts were used by the Counties of English Cricket however this was the exception. For many years these contracts were administered between the governing body and the individual players.

The relative clutter of the cricketing authorities and their commercial platforms has provoked incidents between the international and national authorities and between each of these authorities and the players. The potential for conflict has been prevalent since the commercial success of the World Cup in India in 1996. While this tournament demonstrated the potential for the commercial exploitation of cricket it also highlighted a number of incidences of ambush marketing. To counter this the ICC now operates strict control of potential ambush marketing practices (Mintel, 2006). The ICC has been very aware of the potential threat posed by these tactics and has gone to great lengths to protect its rights.

The creation of a Participating Nations Agreement (PNA) before the 2002 ICC Champions Trophy and the 2003 Cricket World Cup attempted to place
restrictions on the use of playing and promotional images of individual players. This created a significant amount of tension between the top level players, their governing bodies and the ICC\(^2\). Although the event went ahead the issue was not resolved until after the tournament, which due to the aforementioned anti-ambush practices was one of the tightest commercially-controlled sporting events in recent times.

Meanwhile the players also realised the commercial value of their labour after this tournament. The formation of players’ unions proliferated in the late 1990s as the players began to organise collectively to ensure they received a better deal from the resulting cash inflows. However this could arguably have increased the number of governing body-player incidences since 1997 where Australia, New Zealand, Zimbabwe and the West Indies have all witnessed players versus governing authority issues since this time.

These policies set a framework for contested action between the players and the governing bodies in numerous countries. It is the position of this case that the roots of the current Digicel – WICB dispute lay in a series of conflicts from 2003 between the West Indian players through their union, and the WICB regarding a dispute over the creation of players’ contracts.

**The WICB-Players Contract Dispute**

In 2003 the WICB began talks with Cable & Wireless to renew their title sponsorship. After 5 months of negotiations talks broke down between the two parties and the WICB invoked its right to approach a third party. That third party turned out to be Digicel who signed as official title sponsor for US$20 million deal over 5 years in July 2004. However at the time of these negotiations the WCIB decided to draft new player contracts.

Arguably the contract was modified in an attempt to prevent the Participating Nation’s Agreement compromising the WICB’s ability to enhance their

\(^2\) See Bose and Gupta (2004).
commercial benefits from the 2007 Cricket World Cup. The new player contracts included the following key clause (5 Sponsorship and Endorsements) which created significant tension between the board and the players;

Clause (5.1) 2003
(b) Without limiting clause 5.2, the Player agrees that at all times whilst representing the WICB (including whilst playing, training, attending official functions, attending media conferences and being present at a match venue) he will not do anything that constitutes a Player Endorsement in relation to a competitor of a WICB Major Sponsor unless he has a pre-existing agreement with such a competitor that has been approved in writing by the WICB under this Contract or the Player's previous player contract with the WICB or the Player's agreement with such a competitor pre-dates any contract he has had with the WICB.

However upon signing the contract that contained this clause it was apparent that some of the West Indian players had recently signed personal arrangements with Cable & Wireless who after being rejected by the WICB approached players to seek endorsement contracts. At the time this was viewed as a retaliatory action from the former sponsor in order to continue the battle for the right to associate with West Indian cricket (Richards, 2004). At the heart of the tension was the right of the players to maximise their income through these endorsement deals and the contracts which stated that the WICB had rights over the player’s images unless the player’s endorsement agreement was pre-approved in writing. One of the key players signed to Cable & Wireless was Brian Lara, the captain of the West Indian team and one of the world’s best cricketers who had a long running contract with the former title sponsor.

Cable & Wireless had secured the title sponsorship of the Cricket World Cup held in the region in 2007. Although this event was held after the WICB-Players dispute was resolved it is clear that the use of such players in the lead up to the tournament allowed Cable & Wireless to effectively activate their sponsorship (through player endorsements). The change in the players’ contracts with the WICB and the loss of the title rights to the team would have clearly been a set-back. Therefore the clause prevented Cable & Wireless
from activating their player endorsements with their contracted players in the lead up to the tournament.

Six months after signing with Digicel the West Indies cricketers toured Australia recording disappointing performances. Not only was the on-field performance not acceptable but there was a leaked memo from the Digicel sponsorship manager stating how difficult he found it to work with the players, calling them ill-disciplined and highlighting the captain Lara as unsupportive (Richards, 2005). Clearly this tension the sponsor had found in dealing with West Indian cricket in general would not assist in matters that would arise in 2008.

In March 2005 the WICB excluded seven players from their team who were signed to Cable & Wireless. Their contracts were requested by the WICB and only Lara’s was found to have no conflict with the title sponsorship with Digicel. However Lara was non-committal about playing and was excluded with the other six. While the first test versus the West Indies went ahead it was effectively a second strength team due to these exclusions, however it was still deemed the West Indian representative side. Subsequently beaten by South Africa an arrangement was made to resolve the issue. By the start of the second test in April the excluded players had been reinstated. However the tour away from the West Indies to Sri Lanka later in that year was also plagued by the absence of Lara and other colleagues in the continuing dispute over Clause 5.

The issue would plague West Indian cricket for almost two years until the creation of a collective bargaining agreement and memorandum of understanding was signed in September 2006. The agreement permitted the players’ the right to maximise their income through endorsements with provisions to protect the WICB and their commercial partners from ambushing. It is possible that this understanding also convinced Digicel that these related issues would cease as they renewed their title rights sponsorship in 2007 for a further 5 years (Digicel, 2007). Although the issue
had ran for nearly two years the arrival of a new stakeholder in the game may have pressured the parties to resolve their grievances.

Background to the Stanford 20/20 for 20

2005-2007

In 2005 Texan billionaire Sir Allen Stanford proposed a significant investment in West Indian cricket through the Stanford 20/20 (BBC, 2005). The success of this domestic tournament could support the argument that the new investment into the region encouraged both parties in the ongoing sponsorship rights dispute to achieve a settlement to the issues mentioned above. In an attempt to internationalise his investment in cricket Stanford approached the South African Cricket Board with an offer for a US$5 million winner-take-all match (Pouchet, 2006). After this venture failed to gain approval from either governing board the idea was postponed. After the staging of the first World Twenty-20 competition in 2007 he then approached India, the tournament winner, with a US$10 million proposal but this time was rejected by the BCCI (Saltau, 2008).

The support for these tournaments from the official governing boards was essential as any unsanctioned events would result in penalties being imposed on the participants. Therefore Stanford could not approach these events in the same fashion that Kerry Packer had and it was clear that his goals would not be achieved following Chandra down the ICL route. The first step towards creating these tournaments was to gain approval from the WICB. In September 2007 Stanford entered into a 5-year deal to incorporate the domestic competition into the WICB's official tournaments and confirmed that he would assist the board in achieving its goals. With this support Stanford became an official partner in the development of West Indian cricket (BBC, 2007) and as such providing a more sustainable platform for his own initiatives.

2008
In February 2008 Stanford proposed a US$20 million winner-takes-all match between a combined all-star Caribbean team and either an Australian or English side. The Australians declined in order that their deal as a stakeholder in the forthcoming BCCI sanctioned Champions’ League would not be compromised. However in April the ECB agreed to enter into discussions about the tournament. The offer created a high level of media attention. The idea of a winner takes all match was different from all other available tournaments on the cricketing calendar and was moving the Twenty-20 concept further away from the traditional game.

**June 2008**

Signed at Lords cricket ground in London the deal was to play a series of matches staged in Antigua in 2008 and England from 2009 – 2013 (Hobson, 2008). The key match was a one-off Twenty-20 contest offering US$20 million in prize money at the culmination of the inaugural Stanford Super Series. The original breakdown of the funds for that match was to be distributed as follows; each board would receive US$3.5 million, the eleven successful players would receive US$1m each, another US$1 million would be split between the remaining squad, and the management of the team would earn $1m between them. This event would rival the top money per player that was offered at the IPL. Notably the losing side would receive no money for their participation in the match. It was evident right from the outset this match would be controversial for its approach as many saw it as a greedy, twisted evolution of traditional cricket (Atherton, 2008; Moss, 2008). However writers assumed as much for Packer’s WSC (Streeton, 1977) and Twenty-20 in 2003 (Wheatcroft, 2003).

The peculiarities of the positions of the Series’ stakeholders in this situation were complex. The WICB’s involvement was essential for sanctioning the event so it would be granted official status. However the WICB was interested in the money they could make from the Stanford Series from the fee for the team participating (US$3.5 million) and also a share of the
television rights (Cricinfo 2008a). Stanford had entered into an agreement with the WICB and the ECB to sanction the event and was mainly concerned with maximising any returns on investment. In the initial stages these parties saw the proposition as mutually beneficial. The initial agreement was to have England play a team of Superstars from the Stanford tournament. While not entirely the same squad as the regular West Indies team it included some of their players. The commercial rights to the tournament were handled by the Stanford organisation acting as event promoter but separate to the boards. Stanford had reiterated throughout his involvement in West Indian cricket that he would expect a return on his investment but was also interested in developing the system (Cricinfo, 2008a). What was not considered as relevant was the WICB's existing arrangement with their title sponsors Digicel.

July 2008

As official sponsor to the WICB, Digicel had already provided considerable funds to establish and activate their sponsorship. They believed that they would have, for the duration of that agreement, sole and exclusive rights to the West Indian team or importantly, any team that “represents, purports to represent or may be reasonably perceived as representing the West Indies” (Sponsor contract cited in Gollapudi, 2008). Due to the arrangement of Stanford as event promoter this was not the case. Furthermore, to exacerbate Digicel's dilemma rumours began to surface about possible deals with Cable & Wireless obtaining branding rights for the event. Clearly on the release of this news Digicel realised that their official association with the WICB was in jeopardy. Three weeks of talks between Stanford, the WICB and Digicel failed to achieve a satisfactory resolution for the sponsor. To negotiate any rights at all Digicel clearly felt that they had to receive a position at the bargaining table for promoting the event and as these negotiations were taking place with the Stanford organisation (outside the remit of the WICB) Digicel did not have this.

Stanford justified Digicel's exclusion from the deal stating that the Superstars were not the official West Indies team and therefore a separate entity, “totally
different, totally apart”. This view was supported by the WICB (Cricinfo, 2008b; De Freitas, 2008). He went further to state that the West Indies team were Digicel’s concern only and that they were attempting to claim an association with his Series they were not entitled to and were therefore jeopardising the tournament. Through the media Stanford was keen to highlight his investment in domestic cricket countering that Digicel were disrupting the Series and not acting in the wider interests of West Indian cricket. Therefore unable to broker an agreement Digicel also used the press to position themselves as a staunch supporter of West Indian cricket who were not trying to create problems for the Series but that they were a stakeholder whose rights had been infringed and were attempting to negotiate their legitimate position. Digicel stated that they would seek a formal dispute resolution process as provided in their sponsorship agreement with the WICB.

August 2008

Digicel’s threat of activating the official dispute resolution process eventually resulted in a British High Court injunction to postpone the tournament and to grant the sponsor arbitration with the WICB to encourage discussions to resolve the issue, as per their entitlements in their contract. Throughout these discussions the WICB distanced themselves from involvement in the Series. Donald Peters (CEO) stated “We are not part of this in that it is not our team, it is not a West Indies team that will be taking part, so Digicel’s rights are not infringed. They are our sponsors but we disagree in this matter” (Cricinfo, 2008b). This possibly explains how they could agree to sell the same rights (that of title sponsor) to different organisations.

The news of Cable & Wireless involvement was growing with rumours of a deal close at hand (Gollapudi, 2008). The permission for the visiting side to use their title sponsor (Vodafone, also a telecommunications company) may have exacerbated Digicel’s sense of loss. Digicel commented on the irony of the matter “in direct contrast to the respect and protection of rights that has

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3 Access to the High Court in the United Kingdom is possible as it is the highest court in Antigua.
been afforded to the sponsors of the England team and which has been confirmed by both the WICB and Stanford” (Cricinfo, 2008b). Combine this with the 2005 contract issues and Digicel's rights had clearly not been well protected by the stakeholders of West Indian cricket.

September 2008

In September Digicel released an offer of compromise focusing on a three point plan for a settlement. The offer was released again through the press as Digicel claimed that Stanford had refused to meet with them to discuss the issue since July. According to Digicel this plan would include the waiver of many of the commercial opportunities they were entitled to. The three points were;

1. That the team that plays England on 1 November will wear the official West Indies jerseys complete with standard Digicel ODI branding;
2. That no other telecommunications company will be involved as a sponsor in respect of the proposed events;
3. That Digicel's legal costs in respect of the dispute and legal proceedings to date are discharged by the WICB. (Digicel, 2008a).

The plan also requested that all parties would reconvene for further discussions however Stanford replied through the media in return rejecting the initial proposal and submitting the following;

1. A counter-offer stating that they would not do any deals with Digicel’s competitors, (for the first year of the Super Series) (Bull, 2008a)
2. That they would pay all Digicel’s legal fees,
3. And would give the company some branding rights at the 2008 event (Cricinfo, 2008c).

Digicel rejected this, particularly point 3, and once again released a statement highlighting the lack of cooperation with Stanford and disappointment that he would a) not meet with them and the WICB and b) use the media to present a side of the argument that, from their point of view, was weak (Cricinfo, 2008c) and inaccurate ‘undermining an ongoing negotiation process’ (Digicel 2008b).

This proposal from Stanford however was important for the WICB as their financial position was not strong. If they as the governing body went to court and lost they would be liable for legal costs which they could not afford.
Late in the month Stanford did offer to meet Digicel as part of the arbitration process but his offer was rejected. Digicel maintained that the formal arbitration process was between themselves as sponsor and the WICB. Digicel must have felt that the offer to meet by Stanford only extended to pre-arbitration discussions to attempt to avoid the process but once in arbitration the only official parties were the WICB and Digicel. With Digicel’s continual insistence to meet prior to arbitration then to reject his presence, claiming it would ‘disrupt’ proceedings (Cricinfo, 2008d) allowed Stanford to launch a press offensive. The key message to Stanford’s argument was reiterating that Digicel were really looking to have the series called off to the detriment of the other cricketing stakeholders, placing their previous community involvement and other activation activities in jeopardy.

October 2008

On the 7th of October the London Court for International Arbitration upheld the claim by Digicel. The court ruled that it was possible for misrepresentation to occur as the Stanford Superstars could legitimately be seen as a West Indian cricket team. The WICB had to withdraw their support from the Series. This decision initially implied that if the match did take place then the WICB could not sanction it, thus rendering it a private match outside official sanction. This made the position extremely difficult for the players as by taking part in the match they could risk the sanctions imposed on ICL players (Atherton, 2008; Crozier 2008b). Therefore the potential for all concerned to make money from the match was disappearing. During the entire dispute the 8th of October was evidently the longest day. The media reports consternated over the future of the event, speculation was rife about the outcome for the players if they played in an unofficial match, and yet again the management of the WICB was called into question. The position of the WICB from this finding was arguably the most dramatic. The ramifications for the board was that it would not be a party to the event if it did take place, in the process having to forgo the guaranteed US$3.5 million for participating, the share of any potential television rights, and on top of this it was required to pay the legal costs of the
court process. The court effectively found that the WICB had sold the same rights twice.

However on the 9th of October it was announced that the Series would go ahead as Stanford and Denis O’Brien, the owner of Digicel, were able to negotiate an agreement. The agreement stipulated:

1. That no other telecoms company would be involved in the event.
2. That Stanford would pay the legal costs of the dispute.
3. That the Superstars would wear regular West Indies kit adorned with Digicel branding – a distinctive uniform that would essentially make the team resemble a full West Indian representative team (Bull, 2008a).

However, once the series began the Superstars team played in their green and black uniforms as originally designed by the Stanford organisers however they were adorned with Digicel branding. The first two points were similar to Stanford’s September offer. However it was clear that Digicel gained the advantage of being able to exploit their commercial rights during the Series.

When the match did take place on the 1st of November it was a positive result for the region’s cricket. Not only had Trinidad & Tobago taken the domestic title earlier in the week but the Stanford Superstars comprehensively outplayed England to win the US$20 million. However during the preceding week the pressure had shifted onto the ECB with issues over preparation for the tournament and the off-field issues involving Stanford sitting with the players’ wives and girlfriends (the wife of one player on his knee) extolling a hubris unfamiliar in cricket. Rightly or wrongly there is a ‘spirit of cricket’ that is an un-written ethos that assists/hinders governing the game and overt displays of gaudiness or tackiness are seen as contrasting to traditional images of the sport. The ECB themselves stated that they would lead a review of the tournament to ensure if was in the best interests of the game. However at the culmination of the match the winner’s jerseys contained Digicel branding and the exposure they received was comprehensive.
Discussion

The Stanford Series has highlighted a number of important issues in the management of sport sponsorship in addition to the broader management of the sport of cricket. The most important issue from a management perspective is the impact on the relationship between the title sponsor Digicel and the WICB. After the contract crisis of 2005 it should not have been possible for the board to compromise their relationship with one of their chief financiers. Title sponsors like Digicel have 'sunk tens of millions' (Williamson, 2008) into the activities of the WICB through rights fees and activation costs which should deem them suitable for more careful consideration by the game’s stakeholders. Governing authorities need to have a complex and detailed understanding of their commercial platform that will prevent the possibility of the same rights being sold twice. Where the WICB erred was through an incorrect assumption that their sanction of a representative team from the region they govern would be regarded as a separate entity to their official team in the eyes of their commercial supporters. There was a real possibility that other commercial partners of the WICB could have also taken the kind of action undertaken by Digicel.

Additionally the competitive dynamics of Digicel and Cable & Wireless within the region of the West Indies are indicative of the kind of competitive environment where the likelihood of guerrilla marketing tactics may be used. Similar battles between competitors such as Nike and Adidas, Coke and Pepsi, Visa and MasterCard have dominated the ambush marketing literature (Meenaghan, 1996; Burton and Chadwick, 2008). Rights holders must foresee tangible benefits from attracting sponsors such as these as the competitive dynamics arguably drive up the value of commercial deals because if your organisation does not have the property it is likely that your chief competitor will. However in this case the WICB should have been aware of the market situation of its main sponsorship partner and realised that the Series would be an attractive proposition for Digicel's competitor.
These are difficult times for the traditional cricketing authorities. Despite having thirty years notice of the disruptive impact that wealthy backers can have on the organisational field of cricket, governing authorities have not been handling recent changes particularly effectively. Despite being named ‘the home of cricket’, Lords and the wider English cricket community saw the IPL as a threat to their competitive structure that would reduce the control they had over their playing resources. Within England the domestic products of the County Championship and the limited overs matches have traditionally attracted players from around the world. Before the advent of the IPL and ICL it was one of the most effective ways for players to obtain a paid contract outside the national or regional associations, particularly during the off-seasons in South Asia and the southern hemisphere. The creation of these Indian leagues gave international cricketers another playing option where their wages could be maximised for less work than was required in England. Although it was established that global cricketing power had switched to the East (Gupta, 2004; Winder, 2004) in the late 1990’s this was seen as another blow to English cricket’s authority. England’s relevance as a cricketing nation was left to the consideration of others. This situation in essence forced the ECB into a deal with Stanford to provide the English with an extension of the portfolio of competitions that would satisfy their top players.

One other factor that was not given attention during the event was the silence of the West Indian Players’ Association. As the players union it might reasonably have been expected to comment on the implications for their members. One reason they did not may have been that by commenting on the Stanford Superstars they were in some way also endorsing the team as official and thus placing the WICB under more pressure from Digicel. It seems remarkable that one of the key stakeholders in the event did not issue a single press release or media statement on the issue. The Professional Cricketers Association (the English players’ union) was more forthcoming with information from the pre-deal period through to a discussion on the impact it might have on players if it proceeded as an unofficial tournament. However it

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4 The Pro 40 series, the Twenty-20 Competition and before 2010 the former Natwest Series.
did not support any of the disputing factions. Furthermore the international dimension of this Series was arguably appropriate for some form of intervention from the Federation of International Players’ Associations (FICA); however, again, none was forthcoming. Their general lack of action over the changes in cricket since 2007 does start to raise questions about their legitimacy as a preserver of playing stakeholders’ rights.

In all the criticism that was presented by the media in the lead up to the event, an objective of Stanford’s was lost amongst the vitriol. In order to break into the United States market a novel approach to branding cricket had to be used, considering the lack of success of previous initiatives by cricket authorities, the most recent being the ICL attempting to hold a tournament in the US in 2010. The reality television appeal of a winner-takes-all match could be just the product to capture the attention of a market not overly interested in cricket. This is similar to the way that the Twenty-20 Cup in England was never aimed at traditionalists but at new markets, and its success is now evident. The deal with ESPN for the broadcast of the match was estimated to earn Stanford half his commitment to the event (Kidd, 2008). The day following the match the ECB Chairman, Giles Clarke expressed the view that this was indeed Stanford’s aim (Bull, 2008b). There is also a less cynical view of why Cable & Wireless were approached as commercial partner for the series. The importance of the US market to Cable & Wireless made them an attractive partner. Digicel had no presence in the US market; they operated in the Caribbean and South America hence the geographic scope of the event may not, after all, be a primary target for the company. This therefore may be the reasoning behind Digicel turning down the title rights to the event for the years 2009-2013.

**Management Implications**

The presentation of issues within this dispute and subsequent discussion create an opportunity for the following implications for practice to be recommended. A thorough review of properties’ commercial inventory is paramount. Many organisations may find this common sense however the
platform must extend to any area that can be reasonably conceived as belonging to the governing authority. This has in effect been supported by the arbitration process in this case. An increased understanding would prevent this situation from occurring where the same rights could have been sold twice.

Communication between principal sponsors and properties needs to be increased and the relationship needs to resemble a unified front. Chadwick and Thwaites (2005) also discussed these areas of importance. If sponsorship is viewed as a mutually beneficial relationship then every attempt to develop new income streams for the sport should be discussed in partnership. As entrepreneurs are entering the organisational field in any sport (as this indicates dramatic change) it is vital that properties and their sponsors enter discussions with these parties together.

A formal acknowledgement from governing authorities not to over-exploit the competitive dynamics between sponsors could also be adopted. This ethical approach would help to prevent situations like this from occurring. The current practice sees the ICC establishing what actually is ambush marketing rather than establishing management guidance for how it could be avoided. One suggestion to reduce its prevalence could be to stop entering into negotiations for commercial deals with sponsors involved in industries with few significant competitors. These types of negotiations create a negative sum game, and while it may drive up the value of the rights it creates a situation whereby failed bidders may look to retaliate through other marketing communications methods. Although this practice is a cornerstone of traditional sponsor and broadcast rights negotiations it creates a situation of conflict that naturally places the initiative with the unsuccessful bidder as the successful bidder has to part with the fee whilst the loser still has their budget intact which they can then use, if “ethically” inclined to ambush the property.

Conclusions
This case study has attempted to highlight the importance of sport sponsorship management through a chronological analysis of the Stanford Series involving teams from England and the West Indies. To summarise, the circumstances surrounding the arbitration case in the lead up to the inaugural Stanford Super Series provide important lessons for the sponsor-sports property relationship. The commercial platform for the sport of cricket is complex but none more so than many other sports properties. The mismanagement of this platform can lead to a number of negative situations. In this case the governing body was effectively willing to sell the commercial rights to their team to two different companies at the same time. This came about due to a number of reasons. These were lack of appreciation of their commercial inventory and a misunderstanding of what constitutes a representative team; these were significant antecedents to the resultant legal action.

The key implications are for rights holders to work more closely with existing sponsors to understand the competitive dynamics of their industry as a way of improving the relationship between parties and preventing these contentious disputes arising. Managers of sports properties should be thorough in undertaking an appropriate risk analysis of new events and stakeholders to ensure that all the parties involved in the management and operations of producing professional sport are involved. Unfortunately in this case the possibility of millions of dollars of revenue prevented the WICB from undertaking the procedure with appropriate rigour.
Post-script

On the 19th of June Allen Stanford was arrested by U.S. Federal Agents and charged with securities fraud, as of October 2009 he is still awaiting trial and is pleading not guilty to all charges. Stanford is also faced with civil charges from private investors.

Since the Stanford 20/20 in November 2008 West Indian cricket has experienced significant turmoil. In July 2009 the international players went on strike and refused to play in a home test-match series against Bangladesh. As a result of this action the WICB did not select any of the striking players for the limited-overs matches that followed. The appearance of a diluted West Indian team at the ICC Champions Trophy in September 2009 and rumours that Trinidad & Tobago and Jamaica could break away from the West Indian national team has placed cricket in the region in further crisis. It appears that the investment made in the region’s cricket during the Stanford era has led to minimal benefit for the governance of the sport.
References


