

A Buildup Begun

—Corps Jump Aboard Accelerating Beijing Bandwagon

■ By Lowell Bennett

"Beijing will be the most successful Olympic Games in history."

—Juan Antonio Samaranch, former president of the International Olympic Committee.

The obvious metaphor: China is like a long distance runner who has endured many punishing miles, and is now about to sprint the final stretch. But that seems a bit too cliché, a little too delicate, and slightly too tame.

Perhaps it's more like: The nation is like an endorphin-fueled force of humanity bearing down on its objective about to tear across the finish line and leap through the open roof its brand-new \$380-million designer stadium.

Indeed, China is fired up.

At the Athens games two years ago, the nation's athletic stars racked up 32 gold medals, just three less than the US. Today, while nationwide about 17,000 elite athletes are enthusiastically cultivated for world-class status, China's managers and citizens are on a fever-pitch fast-track heading into the 2008 Beijing Olympics.

So, too, are the marketers.



On site of the future National Olympic Stadium, designed by Herzog & de Meuron. by China Foto Press



Gary Rosen, Chief Marketing and Corporate Affairs Officer for McDonald's, gets into the spirit at a press conference for the launching of McDonald's 2008 Olympic Games composite logo in Beijing on Dec. 19, 2005. by China Foto Press

Gearing up for what may prove to be the most momentous and geopolitically significant PR event in the history of the world, Olympic organizers, corporations and governments are leaping hurdles of logistics, geography and ideology as they accelerate into the home stretch for the 2008 Beijing Games officially taglined as: "One World—One Dream."

Looking to leverage the world's fastest growing economy and get their brand in front of China's 1.3 billion potential consumers, corps having paid out a collective \$1 billion to become part of the Olympic Partner Program include Johnson & Johnson, Coca-Cola, Atos Origin, General Electric, Kodak, Lenovo, Manulife, McDonald's, Omega, Panasonic, Samsung, and Visa. At the two-decade mark, their Beijing Olympic buy-in will be more than 800 percent of the sum invested in 1988.

Conceived in 1985, the Olympic Partner Program (which the International Olympic Committee likes to call "TOP") provides for exclusive worldwide marketing rights for both the Winter and Summer Games. According to the IOC, sponsorship dollars amount to more than 40 percent of Olympic marketing revenue. And during the 2001-2004 cycle, total revenue generated reached \$4 billion.

Adding to the sponsorship equation on the China side, partnering with the Beijing Organising Committee for the Games of the XXIX Olympiad (BOCOG), are a growing number of firms at varying tiers of participation. These include Bank of China, China Netcom, Sinopec, PetroChina, China Mobile, Air China, Haier, Sohu, Yili, Tsingtao Beer,

Yanjing Beer, BHP Billiton, and the venerable textile producer, HYX China (Group), Ltd., founded in 1927 as Heng Yuan Xiang, now with annual revenue of about 4 billion yuan.

Western Windup

While Chinese firms enjoy an undeniable home field advantage, Western firms on the sponsorship roster are pushing hard for the China gold. For instance, ramping up operations to coincide with the games, by 2008 McDonald's expects to expand its China chain presence from 750 to 1,000 units. Meanwhile, General Electric has launched an Olympic-themed billboard campaign.

By 2008, GE is out to double its China revenue from where it now stands, at about \$5 billion a year. And Peter Foss, GE's President of Olympic Sponsorship/Corporate Accounts, told the Associated Press (AP) that "The Olympics is one way we can speed up the process."

Meanwhile, Olympic officials and NBC, one of the old big three US (non-cable) networks, are set to reveal the exotic Eastern capital of Beijing to a US audience still largely unfamiliar with the city. Gary Zenkel, ex-

ecutive vice president of NBC, tells AP, "This is perhaps the most exciting Games we've ever broadcast."

NBC will pay nearly \$900 million for broadcast rights in the States. That's nearly \$300 million more than the network paid for the rights to broadcast the Winter Games in Turin.

For sponsors, Olympic officials and the nation of China, this is an unprecedented opportunity to put the best face forward. Worldwide, more than 4.5 billion are expected to tune into the games. About 800,000 foreigners are expected to visit Beijing and the capital city is anticipating that another 1 million of its own citizens will arrive from out of town.

From a global marketing perspective, Scott Kronick, heading up Oglivy Public Relations in China, to AP said, "The Beijing Games are like the Olympics to the power of two."

Hitting The Mark

China is investing heavily in renovating and creating new venues, ranging from the Workers' Indoor Arena near Beijing's Tian'anmen Square to equestrian courses in



In progress, the National Aquatics Center and the National Olympic Stadium. by China Foto Press

Hong Kong, and other sites in the cities of Shanghai, Qingdao, Tianjin, Shenyang and Qinhuangdao.

On or ahead of schedule, Beijing continues its forward charge with a citywide renovation and refit, and it is expected that as early as 2007 construction and renovation of the city's 31 athletic venues could be completed. Eleven of those facilities will be new, including the 91,000-seat National Olympic Stadium, a wild high-concept design by Herzog & de Meuron, coming in at a price tag projected at \$377 million. Housing the swim and dive events, the new National Aquatics Center (with an exterior look based on the molecular and aesthetic structure of soap bubbles) is expected to run about \$120 million.

Bolstered infrastructure expected to be in place in advance of 2008 includes an airport upgrade, with a new 3,800-meter runway and a 900,000-square-meter terminal structure, plus five bridges and 59 roads that will be either newly constructed or renovated to accommodate traffic to and from venues.

Not stopping at steel and concrete, the Beijing Municipal Government is continuing an aggressive urban beautification and reforestation project. City managers plan to plant trees on an additional 12,000 hectares in 2006, with the final objective of increasing the city's green coverage to 42.5 percent.

In predicting the eventual result of all this momentum, during a reception in Turin at the winter games, Juan Antonio Samaranch, former president of the IOC, put it simply: "Beijing will be the most successful Olympic Games in history."

In slight contrast to Mr. Samaranch's rather bold declaration, a more Chinese-style statement was forthcoming from Liu Qi, President of the Beijing Organizing Commit-

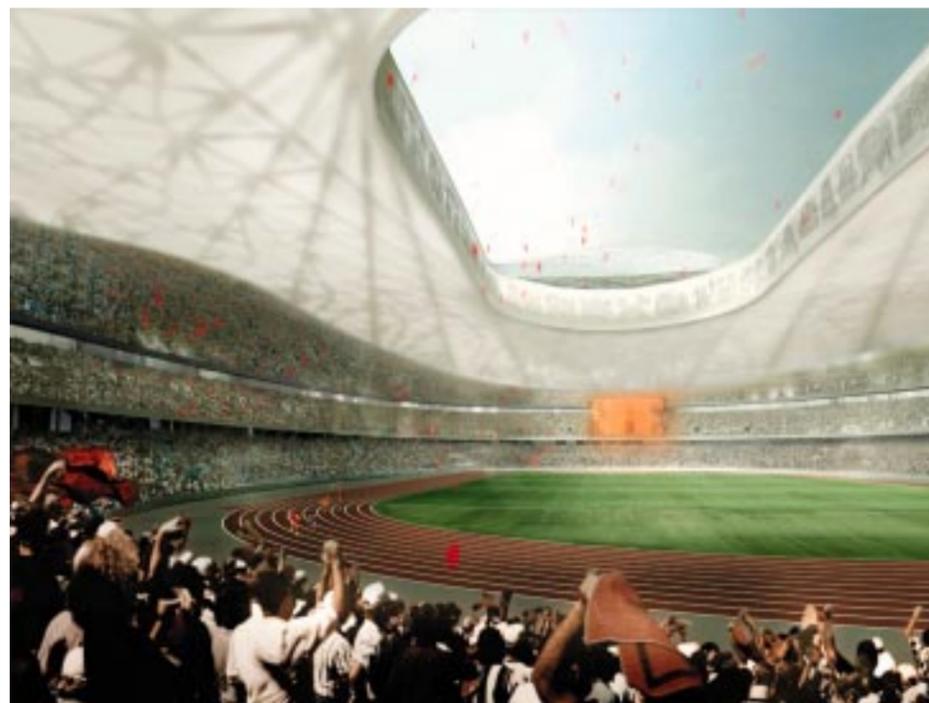


Two flight attendants pose with the first Chinese aircraft painted in honor of the Beijing Olympics. Air China, a sponsor of the Games, included the official slogan, "One World—One Dream." by China Foto Press

tee for the Games of the XXIX Olympiad. He said, "We carefully planned, organized and implemented our work. We have made solid and trustworthy progress." 

Olympiad Landscape Designs

On March 8, the Olympic Landscape Sculpture Designs Contest, a public-welfare cultural event associated with the 2008 Olympiad, announced its selection results: 277 excellent works stood out from 386 last-round entries. A total of 2,433 applicant designs, attributed to more than 1,000 sculptures from more than 80 countries and regions, were submitted. These were appraised by a panel consisting of more than 10 experts from China, the U.K., Russia, Italy, and the United States. The selected designs will be produced in three sets of replicas and exhibited as part of a nationwide tour, beginning with Beijing and two other cities on June 23, 2006.



Games to Come - An interior rendering of the National Olympic Stadium, designed by Herzog & de Meuron. by China Foto Press



The ground-breaking ceremony for the Media Village, a part of the press infrastructure for the 2008 Beijing Olympic Games, on November 25, 2005. by China Foto Press