

## Elite Track and Field (ET&F) Study Topic

### *Topic 1: Replacement Value of Sanctions in Large ET&F Events*

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The largest events in ET&F are currently held under a sanction from a major governing body. These include the IAAF World Championships (sanctioned by IAAF) and the Olympic Games (under a permit from the IOC). These sanctions provide obvious benefits. Among them are the permission to use a specific rubric (“World Championship” or “Olympic Champion”), publicity and media attention associated with the event, and the attraction of major athletic talent to meeting of demonstrated quality and scale.

On the other hand, the sanction process imposes real costs. These include complex bidding processes and long event development timelines, and often cumbersome rules and restrictions related to many aspects of the business development of the event.

***ETF-Forward is looking at the feasibility of developing large, annual events (“Majors”) that are independently owned and operated. One challenge here is to replicate the obvious benefits of a sanction, while avoiding some of the costs.***

A straightforward and deterministic task is to:

--Utilize available data, and standard business analytical tools to quantify the present value of one or a few of the sanctions that currently apply to major ET&F events. For example, how much is the ability to attract the World's top ET&F talent worth to a typical large event? What is the tangible value of the event name, or perceived quality, with respect to gate revenue and sponsorships? What is the value of specific assets conferred (or loaned) by the sanctioning body?

--Propose a simple set of ideas and steps for replacing this value. A “pot-of-money” is an obvious one! Beyond this, what steps are needed to replace all of the valuable assets that are available now to sanctioned event owners and operators?

--Estimate the cost of these replacements. Quantify the direct financial costs and the indirect expenses (human capital, etc.) that are associated with the “virtual sanction”.