

Starting up - Discussion

What are the different ways that famous football clubs such as Liverpool and Manchester United earn money?

Pre-reading

To help you with the vocabulary in the article, match the words and expressions 1-9 from the article with the definitions and explanations a-i.

- 1 clinches
- 2 sponsor
- 3 sponsorship
- 4 logo
- 5 fan base
- 6 rivals
- 7 deal
- 8 core
- 9 catalyst

- a a commercial agreement
- b a design that is the official sign of a company or organisation
- c a company that pays money to a sports club in return for the chance to advertise its name or products in connection with the club
- d something that results in important changes
- e competitors
- f when a company pays money to support a sports club in return for advertising
- g main, central
- h finally succeeds in getting something after trying very hard
- i places where the club's supporters come from – a city, region, country, etc.

Reading

Now read the article and answer the questions that follow.

Liverpool clinches StanChart deal

FT Correspondent

Liverpool Football Club announced on Monday that Standard Chartered had agreed to become its shirt sponsor in “the largest commercial agreement” in the Premier League team’s history.

Starting July 2010 for four seasons, the bank’s name and logo will appear on the Liverpool shirt.

The deal came after Carlsberg declined to extend its deal with Liverpool. The Carlsberg sponsorship, worth £7.5m (\$12.4m)

per year, concludes at the end of this season.

While the value of the StanChart sponsorship was not revealed, the announcement appeared to confirm that top teams with a global fan base are less affected by a decline in sports sponsorship money. Many of Liverpool’s rivals have been forced to settle for smaller deals as a result of the recession and corporate failure of several sponsors.

This year, Aon replaced AIG as the sponsor of Manchester United, currently second place in the Premier League table, in a deal believed to be worth £25m a year. The AIG sponsorship was £19m a year.

StanChart said the sponsorship would increase its brand awareness across core markets in Asia, Africa and the Middle East thanks to Liverpool’s global following. The club, currently fifth place in the League, is very popular in Asia and held a successful tour of Singapore and Thailand this year.

“This sponsorship will drive a step change in brand recognition in our key markets and will provide an additional catalyst for our business growth,” said Peter Sands, the bank’s chief executive.

From the Financial Times

Reading Comprehension 1

Based on the information in the article, find answers to these questions.

- 1 What kind of business is Standard Chartered in?
- 2 In which part of the world does Standard Chartered do most of its business?
- 3 What is special about the deal for Liverpool?
- 4 When will Standard Chartered’s sponsorship of Liverpool begin and how long will it last?
- 5 How much is the deal worth?
- 6 Which company currently sponsors Liverpool?
- 7 How much is Liverpool’s current sponsorship deal worth?
- 8 How are Liverpool’s and Manchester United’s sponsorship deals different from most other clubs in the Premier League?
- 9 What benefits does Standard Chartered expect to get from the deal?
- 10 Which countries in Asia has Liverpool played in recently?

Reading Comprehension 2

What is the best explanation, a or b, for these extracts from the article?

- 1 Carlsberg declined to extend its deal with Liverpool
 - a Carlsberg cancelled its sponsorship deal with Liverpool before the end of the contract
 - b Carlsberg have decided not to continue sponsoring Liverpool when their current contract ends
- 2 Many of Liverpool's rivals have been forced to settle for smaller deals
 - a Other clubs in the league have not been as successful as Liverpool in the amount of sponsorship they have got
 - b Other clubs are smaller than Liverpool so have attracted lower amounts of sponsorship money
- 3 This sponsorship will drive a step change in brand recognition in our key markets
 - a It will change the way Standard Chartered are viewed in their main markets
 - b It will really increase their brand awareness

Vocabulary

- 1 There are eight noun-noun word partnerships in the article. One is 'fan base'. Can you find the others?
- 2 Match the other seven word partnerships to the definitions
 - a the degree to which people recognise the name of a company and connect it with the product or service the company provides
 - b when companies give money to a sports club to promote their own name
 - c a significant increase
 - d a sports group that plays football
 - e the same definition as A
 - f increase in business activities
 - g the company that pays money to a sports club for the players to have the company's name on their shirts

Activity

Many people are critical of the huge amounts of money earned and spent by the most famous European football teams, especially in the UK and Spain. Players' salaries in particular, as well as transfer fees, are considered to be far too high. Only the very richest clubs can afford to compete in the transfer market, which means there is less and less real competition. The same big clubs win the major competitions year after year. Do you agree with this opinion? If you do, what can be done to change the situation?

KEY**Pre-reading**

- 1 h
- 2 c
- 3 f
- 4 b
- 5 i
- 6 e
- 7 a
- 8 g
- 9 d

Reading comprehension 1

- 1 Banking
- 2 Asia, Africa and the Middle East
- 3 It is the largest sponsorship deal in Liverpool's history
- 4 July 2010 for 4 years
- 5 The figure is not given
- 6 Carlsberg
- 7 £7.5m per year
- 8 They are much higher because of their global fan base
- 9 It expects to increase its brand recognition across its core markets, especially in Asia
- 10 Singapore and Thailand

Reading comprehension 2

- 1 b
- 2 a
- 3 b

Vocabulary

- 1 Football club, shirt sponsor, sports sponsorship, brand awareness, step change, brand recognition, business growth
- 2
 - a brand awareness, brand recognition
 - b sports sponsorship
 - c step change
 - d football club
 - e brand awareness, brand recognition
 - f business growth
 - g shirt sponsor