



SEMINAR

WIPO/IP/KIN/11/13
ORIGINAL: ENGLISH
DATE: APRIL 20, 2011

SEMINAR ON INTELLECTUAL PROPERTY AND SPORT

organized by
the World Intellectual Property Organization (WIPO)

in cooperation with
the Jamaica Intellectual Property Office (JIPO)

and in collaboration with
Gordon McGrath, Attorneys-at-Law

Kingston, April 19 and 20, 2011

YOUR SPORT CAREER IS YOUR BUSINESS
*Document prepared by Mr. Ajani Williams, President, Jamaica Basketball Association,
Kingston, Jamaica*

Your Sport Career is your business

By: Ajani Harris-Williams

April 5, 2011

The typical athlete generally has a myopic view of their sport career well until near retirement age. Rare is the athlete that sees their sport skills and the knowledge and relationships they are acquiring along the way as a part of what will be classified as their “career”. A sports career goes through similar cycles as many companies.

- The founding of an idea & brand creation
- The acquisition of talent
- The execution of the ideas
- Marketing of the ideas
- Managing the company
- Expansion, revenue growth and possible profitability with discipline
- Slow growth & stagnation
- The pivot
- The enterprise stage
- The “sell” stage
- The Philanthropic stages.

We will through this discussion weave our way through the similarities between an athlete’s career and the cycle of a company and learn how athletes can better manage their careers in parallel to well managed companies.

Magic Johnson is one of the best examples of athletes who have managed their Sports career as a business while never losing focus of his drive to be a champion on the court. Magic Johnson quickly realized the value of his name, quickly made it a brand and leveraged his captivating personality along with his innate skills to become a lasting cornerstone of greatness in the NBA and the business world. Unlike many other athletes it is evident from his business prowess and current partnerships that he was doing additional work off the court that would help his career post retirement. He was able to leave the NBA with around \$5M and leverage that into what is now valued at \$700-\$1B USD. Magic didn’t single handedly create success, but went through many of the phases mentioned above to create what is now arguably one of the most diverse

This document is owned and is copyright protected by the writer Ajani Harris-Williams. All quotes are the copyright property of Ajani Harris-Williams. All figures attributed to Magic Johnson were taken from Wikipedia. This material should not be distributed without the consent of its author.

and successful athlete business holdings in the US. He is currently the owner of several Starbucks, Burger Kings, Movie Theaters, TGIF restaurants, a former Lakers shareholder, TV announcer and the face of several brands including Best Buy and many more.

Founding of the Company or the Brand “Athlete”

-Like most companies which are founded with a name and an idea, great athletes are created by their skill but also have compelling names or brands. Many researchers have questioned if the name makes the company or the company makes the name. The names of Great athletes such as Pele, Maradona, Jordan, Bird, Magic or our own Bolt have been compelling brands which when birthed seemingly took a life unto themselves and thus started the founding of the athlete much like the founding of a company which is no different than great brands like Nike, Starbucks, McDonalds or our own up and coming “Cuddyz”. While a compelling name or brand is an ingredient in success, the athlete makes the name valuable and the “cool” factor of the name of the athlete gives acceleration to his or her brand.

“Your name is your brand and if your name isn’t good enough maybe you can create one and get people to buy into it with your performance.”

Acquisition of Talent- “Finding the right people during your sports and post sports career”

-The most important thing outside of capitalizing a company is the talent of the people in the company who support the company’s growth. Great company’s always answer the “Who” before the “What” and great Athletes must also do the same. Athletes understand this inherently on the field or court of competition, as it is often evident that ultimate victory is impossible with mediocre talent. When a basketball team is comprised of one great super star and all the rest weak players, Championships are rare if at all possible. Michael Jordan, arguably the greatest basketball player of all time, didn’t win championships for 7 consecutive years. He couldn’t win because his team- the players, the coaching staff couldn’t win because they were evidently not the best talent! Jordan finally won championships with championship teammates and championship quality coaching staff. Athletes must quickly realize the caliber people they

This document is owned and is copyright protected by the writer Ajani Harris-Williams. All quotes are the copyright property of Ajani Harris-Williams. All figures attributed to Magic Johnson were taken from Wikipedia. This material should not be distributed without the consent of its author.

have around them off the court, field or track that will enable them to fully capitalize on their potential.

In basketball the two most important talents a player will need will be their off season trainer/coach and their agent. It must however be noted that a sports career goes beyond the court, field or track of competition and extends well beyond retirement. Young athletes aged 17-18 years old start facing career defining decisions as early as high school. College/ university selection plays not only a critical role on the court/ field or track but also plays a key role in educational opportunities and the networking aspects of their careers. The alumni are often prominent business men and women who take a keen interest in athletes and go at length to support their alma maters. These early relationships become either the backbones of future partnerships or become the connecting dots in leveraging your admired skills into blossoming businesses.

“Nurture the business relationships you acquire while you are an athlete and resist the temptation of being aloof. Acquire the right talent during your career both sport specific or business specific.”

Execution of the Idea - “Your athletic performance”

-For most companies no great idea is worth anything unless it is implemented, its strategies are executed and the original idea performs to expectations or beyond expectations. The Michael Jordan or Magic Johnson Brands would not have become brands without their performance. Great performances do not come by mere natural talent but by disciplined, consistent, fundamentally sound, hard work. There are few if any that approached the training and practice with more discipline and tenacity than Michael Jordan. He ensured his destiny and legacy were secured, by underwriting them with the basic principles of success which is execute and practice discipline and hard work. Discipline should be viewed as resisting the temptation to things that are potentially harmful or fundamentally wrong.

Execute with discipline and passion “Yourself/Your Brand/You” so that your performance will show the details of that work. Many athletes get caught up in the idea of themselves rather than focusing on the core of what makes the idea great which are the great performances that come by way of dedicated hard work.

“Focus on performing at a high level, as this is the fundamental element driving your success.”

This document is owned and is copyright protected by the writer Ajani Harris-Williams. All quotes are the copyright property of Ajani Harris-Williams. All figures attributed to Magic Johnson were taken from Wikipedia. This material should not be distributed without the consent of its author.

Marketing of the Idea and managing the company- Pushing brand “You” & improving self.

-Though marketing for most companies is the responsibility of the marketing executive, it is pointless with a bad product. Marketability starts with the performance of the athlete but is further catapulted by virtue of that athlete’s ability to understand how to market him or herself. Magic Johnson marketed himself with his captivating passes and his always playful amiable personality which made him endearing to many. Michael Jordan marketed himself with his miraculous moves and his relentless pursuit of championships. He however was also known for his tongue waving, which he marketed as his signature. He encapsulated that with his smooth polished ability to speak and hold interviews, his suave suits and was known as the best dressed man in the business.

Athletes must realize quickly that they must market themselves by understanding what works in society, what makes people attracted to others, admire others and then seek to improve or acquire the human tools to make that happen in their own experience. These include their style of dress, their signature identifiable gestures, how they present themselves publicly when speaking and sometimes even how they conduct themselves in their personal lives.

“You must market yourself first and foremost before asking anyone else to do it for you; the greatest marketer must be you.”

Profitability & Expansion- “The stage when financial success is attained”

Once the athlete has finally realized expanded success, the next step is to maturely manage that success and the availability of new resources he or she now has for maximum profitability. The aim is not to make \$1M and spend \$1.1 but to make \$1M and spend \$500,000, thus realizing a \$500,000 profit. The companies that do not manage their success often fail by getting into debt and bad deals. The great companies expand their talent base, new products and keep cash on hand for new acquisitions to help the company grow. In the same manner athletes must expand their talent, keep cash on hand by being humble enough to realize you are not as wealthy as you think and downsizing or scaling back some of your desires may actually make you really wealthy in the future as you grab new compelling and almost guaranteed profitable deals.

The stories of many NBA players going bankrupt have become common place with players having made as much as \$100M and are now broke. They did not buy into the profitability. This document is owned and is copyright protected by the writer Ajani Harris-Williams. All quotes are the copyright property of Ajani Harris-Williams. All figures attributed to Magic Johnson were taken from Wikipedia. This material should not be distributed without the consent of its author.

concept when their success expanded and their value. Now many of these athletes aren't able to acquire the most basic resources of living much less assets that would help propel their wealth even further. Tough decision must be made to remain profitable as an athlete, while investing in yourself to enhance your value long term.

“Continue to invest in yourself and expand your network- the people helping you to improve in the game and post game. Manage your success, you resources for profitability for even bigger success ahead of you”

Slow Growth- “The Aging process and the beginning of the transition to the off court career.”

Like all companies, the slow growth and even the negative growth periods come and it is how those periods are managed that determine how they get out of them. The natural inclination of companies is to reduce expenditure, cut staff and manage expenses. This often leads to more failure as the best companies stated by Warren Buffett get greedy when everyone else is scared. They acquire more in hard times and innovate even more. This must be true for the athlete who is beginning to see a slowing period in their performance due to age and they should resist the instincts to cut back, but should work on their training regimen even more, getting more detailed with their diet, increasing training but in smarter ways to prevent injuries with activities such as swimming, and incorporating physical therapy and massages. Increase may not be workload, but it may mean details and new techniques to enhance without burdening the body. Bridgette Foster Hylton is a great example of this that in the slowing periods she increased her discipline and refined her approach to training and that paid dividends.

Athletes at the end of their playing cycle should maintain or increase their professional support such as investment management and business partnerships while adopting one very key trait which is minimizing and managing expenses.

“Resist during the slowing down process to collapse your regimen but instead expand it in new alternative areas such as diet and non impacting workouts”

Stagnation and the Pivot- “The realization that retirement is a necessity while embracing life after.”

This document is owned and is copyright protected by the writer Ajani Harris-Williams. All quotes are the copyright property of Ajani Harris-Williams. All figures attributed to Magic Johnson were taken from Wikipedia. This material should not be distributed without the consent of its author.

There is a point in every athlete's career and every company when growth not just slows but stagnates and in some cases consistently recedes. The good companies like the good athletes prepare for it, embrace it and look for the new ways of being relevant and vibrant.

IBM struggled after years of being the dominant PC maker in the world. It eventually realized that being upfront on center court was no longer viable and if it continued, it would lose everything. So the company had to make a decision to solve its stagnation problem and exit the market of PCs by selling its PC business to Lenovo and focusing on becoming the computer systems for industrial and many other companies ranging from medical companies to supercomputers. Today, IBM's computer systems help fly Boeing planes and help doctors perform surgery. This IBM pivot in business model has helped the company to remain profitable and more relevant than ever before. This should hold true for athletes as well, especially those who hold on too long only to lose even more. Magic Johnson was forced to retire fairly young and though he attempted comebacks, essentially his career ended prematurely. This allowed him time to adopt a new relevance and that he did by owning 131 Starbucks, 31 Burger Kings, 4 movie theaters, 4 TGIFs and a 5% stake in the Lakers. His literal pivot helped to make him larger off court than he was on.

*"Prepare for the day when you will no longer be relevant in competitive sports due to age or other variables and create a new relevance outside of the game that may become even more important than your playing days.
PIVOT"*

Enterprise Stage- Expanding your wings in business

After creating partnerships early, expanding further the partnership base during the slowing down phases and by having created a brand and managed the cash, athletes should still carefully enter the enterprise stage. This should be done in conjunction with established business persons, or if done with inexperienced persons, should be done under advisement of established business savvy individuals. This is where Courtney Walsh created "Cuddyz" and has turned it into a compelling brand. Athletes should leverage their historical brand into partnerships more so than investing their own cash. Taking smaller risks in a few compelling areas is better than making a large bet on an unproven model.

"Seek advice from your partners you established from early in your career, leverage your brand into investments and take smaller risks in compelling areas rather than larger bets."

This document is owned and is copyright protected by the writer Ajani Harris-Williams. All quotes are the copyright property of Ajani Harris-Williams. All figures attributed to Magic Johnson were taken from Wikipedia. This material should not be distributed without the consent of its author.

Philanthropy-Larger Donations

-Though many companies and athletes give of their time and cash during their careers it is hoped that athletes see the immense value that after they have had immense success on or off the court they must give back even more.

“Real value is in seeing success perpetuated from generation to generation and contributing to that in a way that really makes a dent and a difference”

This document is owned and is copyright protected by the writer Ajani Harris-Williams. All quotes are the copyright property of Ajani Harris-Williams. All figures attributed to Magic Johnson were taken from Wikipedia. This material should not be distributed without the consent of its author.