

If Money Could Score Goals

ALL THAT
BIZ

The game's best minds converged on New Delhi to find a way to revive Indian football and the time to act is now | BY SIDDHANTH ANEY

A closed room, no reporters, no cameras, and the most influential people in Indian football. For two days, on the 9th and 10th of June, at a swanky new hotel in Gurgaon, the International Football Arena (IFA) brought together the All India Football Federation (AIFF), the Federation Internationale de Football Association (FIFA), club owners, sponsors, player agents and representatives of international clubs Chelsea and Bayern Munich to talk about the future of football in India.

The IFA is a Zurich-based company that has been bringing together "football's global players" since 1999 to help create an atmosphere in which administrative, commercial and sporting interests can be aligned.

It was the third such conference held in New Delhi in as many years. This time, IFA founder Marcel Schmid roped in big players, including Andy Knee, who heads the International Management Group's (IMG) football division, and Priti Srivastava of IMG-Reliance (IMGR), the joint venture that owns Indian football's commercial rights for the next 15 years.

Also present were the United Breweries Group, representing East Bengal and Mohun Bagan, Thierry Regenass of FIFA, Kushal Das, secretary of the AIFF, and Sunando Dhar, CEO of the I-League. The session began with the AIFF sharing its wishlist—a list that was honest and comprehensive. It not only focused on the need to revamp infrastructure and tournaments such as the I-League but also included commercial elements and the plan to qualify for the World Cup.

If the list had been read to

Santa Claus, he might have slid under the table. But it served as a good introduction for former Chelsea and England defender Graeme Le Saux and potential commercial partners who are new to the Indian scene. What emerged was a whole lot of chicken-and-egg situations.

Will football grow with more money or do you need better football to attract investors? Does the success of the national team boost interest in local leagues or will the national team only do well if the leagues are stronger? The answer is that there isn't one.

But the potentially most rewarding aspect of the two-day discussion centred on the I-League, which is going through a process of professionalisation. It is Indian football's most lucrative property. Yet, it has many basics missing. There is poor infrastructure, no real youth development programme, no general player contract, no transfer market, no broadcast partner and its teams lose money every year, whether they win or lose on the field.

Compare this to the English Premier League. The EPL, according to the Deloitte football money list, is the game's biggest money-spinner, generating about \$3.5 billion every year. There is a system in place that regulates the sharing of the revenue between clubs, depending on the position in the league and other criteria. It also garners a tidy sum for the English Football Association, allowing the body to invest in development programmes.

The top English clubs each bring in \$350 million annually. So it isn't hard to see why broadcasters fight bitter bidding and



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legal battles to win TV rights.

In India, clubs are owned by corporates such as the UB Group, Dempo and Salgaocar. They are not very keen to say how much they spend on their teams, but industry experts put the figure at anything between ₹12–15 crore a year. All this capital is sunk. The returns the club gets—even if it wins the I-League—amounts to a fraction of what is spent. There's no TV revenue, so the question of sharing doesn't arise, and, with the IMGR deal, all commercial revenue goes to them anyway. □

Fraser Castellino, the head of sports marketing for the UB Group, directed a difficult question at the AIFF and their partners. "How do I tell my boss to keep putting all this money into these clubs, which are part of a league that you cannot market?" The answer was not clear.

That brings us to the issue of the transfer market. In January 2009, clubs in England spent almost \$275 million in the transfer market. For smaller clubs, the transfer system is an incentive to develop talent they can later sell for large sums. Newcastle's sale of striker Andy Carroll to Liverpool this winter for \$56.5 million gave the club the money to build a stronger team for the subsequent season.

Here, there is no such system. Odafe Okolie has been the highest earner in Indian football for a couple of years. But when he moved to Mohun Bagan, his old club, Churchill, didn't get a pie. Clubs, therefore, have no incentive to spend money on youth development. The fault also lies with the clubs. Most players are only offered one-year deals. This leads to a situation in which players are playing for clubs they have already decided to leave, halfway through a season.

The AIFF and IMGR were at the receiving end at the IFA roundtable and they promised to make public a roadmap for Indian football in the next few years. In the plan, they have promised TV partners, player contracts and overall professionalisation to increase commercial viability. Whether the promises were forgotten once they left the room, cannot be said. What is clear, though, is that if they don't have a plan, Indian football, will not be a sleeping giant. It will be a dead one. □