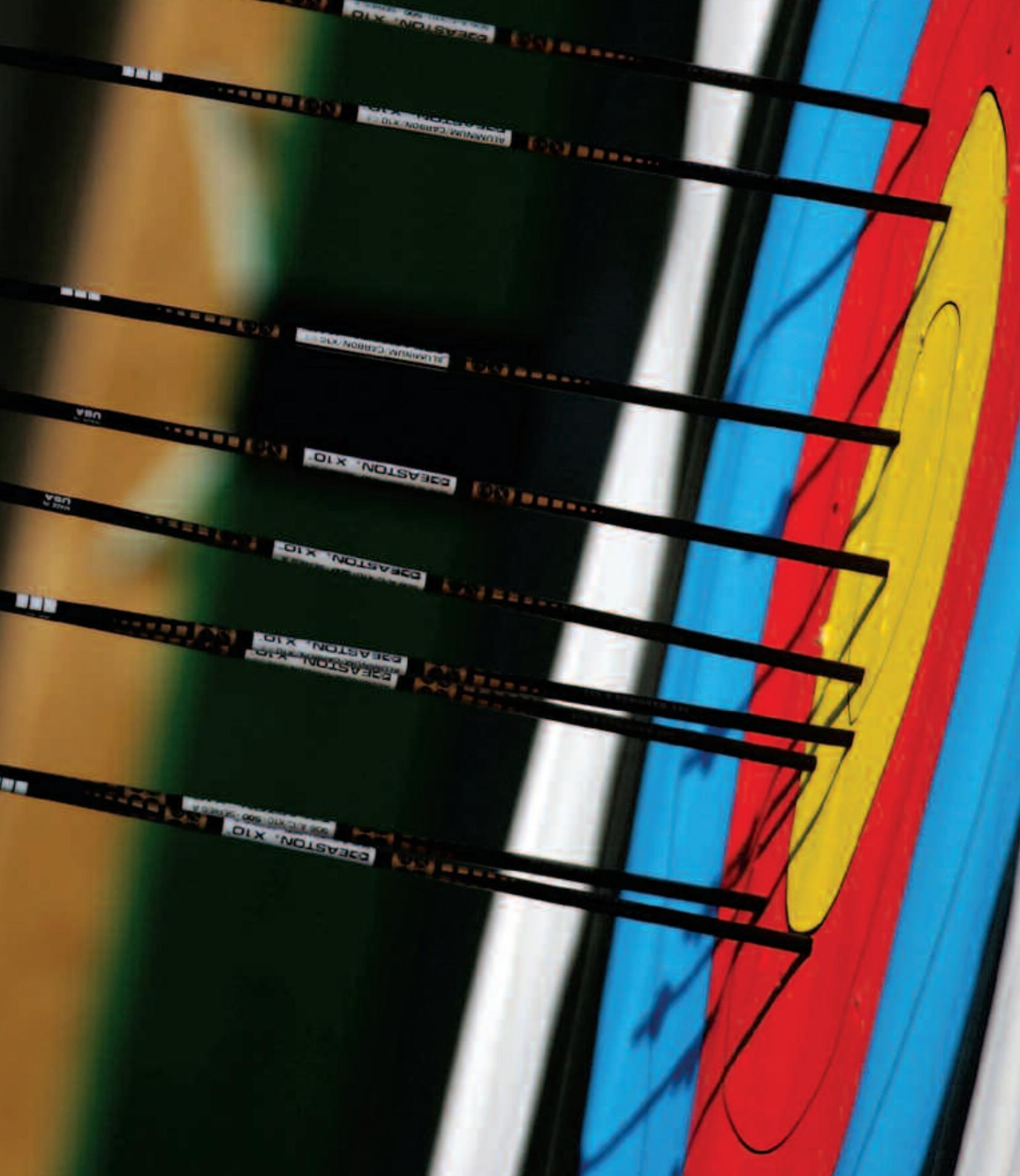


ADMINISTRATION

CHAPTER FOUR



A D M I N I S T R A T I O N

THE IOC ADMINISTRATION

The IOC administration has evolved quite significantly during the past four years, with a number of changes over the quadrennium taking the organisation towards an increasingly professional and service-orientated focus.

Changes began with a series of audits initiated by President Rogge shortly after he took up office. A number of operational and financial audits were conducted covering areas that included human resources, technology, Games management, information management and marketing. At the extraordinary Session in Mexico in 2002, IOC members were informed of the changes recommended by the audits, specifically a new functional organisational chart for the IOC administration.

In the months and years that followed, the IOC administration began its migration to this new structure and its corresponding evolution towards a more service-orientated organisation. Recognising a need for the IOC to play a more active role in Olympic Games management, a dedicated Olympic Games department was born out of the former Department of Sports, Olympic Games Coordination and Relations with International Federations. Gilbert Felli, director of the latter, was appointed to the role of Olympic Games Executive Director, and his newly created department was tasked with ensuring the coordination of Olympic Games preparations, including the operational integration of all IOC functions and activities related to the Games; acting as the interlocutor within the IOC for the organising committees; and developing and managing the Olympic Games candidature process.

The creation of the Olympic Games department led to the development of a bespoke Department of Sports, to which Kelly Fairweather was promoted from within the IOC to be the Department's Director. The Sports Department has been mandated with ensuring efficient relations with International Federations, Recognised Federations and Recognised Organisations, supporting the Olympic Games Department in coordinating all aspects of

Below The IOC administration, based in Lausanne, Switzerland, has evolved significantly during the past four years, with a number of changes taking the organisation towards an increasingly professional and service-orientated focus.



A D M I N I S T R A T I O N

sports operations and providing the Sport for All, Athletes' and Olympic Programme Commissions with administrative and operational support.

A fully-fledged IOC Communications Department was also established in 2002, grouping together all aspects of communications, including media relations and editorial services, under the direction of a newly-appointed Director, Giselle Davies. The audits also initiated the creation of an Information Management Department, and a new Director, Philippe Blanchard, was appointed to set up this Department, which now manages the information legacy of the Olympic Movement, including Olympic archives and video and photographic images. The Olympic Museum and the Department of International Cooperation and Development also saw the appointment of new directors, Francis Gabet for the former and Tomas Sithole for the latter. Both were appointed in 2003, Sithole joining the administration from his position as IOC member. The IOC Technology Department saw Jean-Benoît Gauthier take over as Director from the retiring Philippe Verveer.

Moreover, the IOC administration saw a change at the top, with the appointment of a full-time Director General. Urs Lacotte joined the organisation to fill this post, taking over from François Carrard who had held the position in a part-time capacity since 1989. The role of Director General was reorientated according to President Rogge's wishes, and all operational business functions of the IOC administration and its satellites were placed under Lacotte's direction. The new Director General then focused the organisation further on its process of consolidation and on achieving new standards of excellence in its support of the IOC membership and the wider Olympic Movement.

Towards the end of the four-year period, President Rogge's desire to see the IOC take over the running of functions critical to the successful organisation of Olympic Games and the future development of the entire Olympic Movement had been completed in three key areas. First, OGKS, the company in charge of the knowledge transfer services which help future Games hosts learn from past organisers, became a 100 per cent-owned company of the IOC, following the acquisition of shares previously owned by Monash University of Australia, with which the IOC had created OGKS in 2002. Second, Olympic Broadcasting Services SA was created in 2003 to take over, from 2010 onwards, the host broadcasting function which had previously been the responsibility of the organising committee. Third, full control was obtained of Meridian Marketing Services SA, the company which had been in charge of Olympic Marketing and The Olympic Partner (TOP) Programme. This change brought all marketing activities under one umbrella. An additional consolidation was made with the merging of marketing with television services, including broadcast rights negotiations. Newly-appointed Timo Lumme joined the IOC administration as Marketing Director and Managing Director of Meridian.

In 2004, synergies in the fields of Human Resources, Finance and Information Technology were realised, further demonstrating the consolidation of the IOC administration. As the four-year period drew to a close, the appointment of a Head of Corporate Development under the Director General, and specific attention given to achieving increased operational efficiencies, were setting the IOC administration on a clear course towards the future.



REVENUE GENERATION

The IOC has a number of revenue-generating programmes including television broadcasting partnerships, corporate sponsorship, Olympic Games ticketing and Olympic licensing.

OLYMPIC BROADCASTING

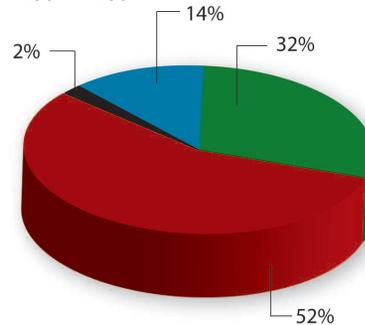
Olympic broadcasting achieved enormous success during the 2001-2004 quadrennial period, establishing global audience and viewing records while generating unprecedented revenue for the Olympic Movement.

To ensure the widest possible audience for the Olympic Games via free-to-air television, the IOC takes responsibility for negotiating all Olympic broadcast rights agreements and managing all broadcast partnerships. Olympic broadcast partners purchase the rights to televise the Games in their home countries or territories, and the IOC distributes broadcast revenue throughout the Olympic Movement.

The Salt Lake City 2002 television broadcast was the most successful in Olympic Winter Games history with revenue of US\$ 735 million and establishing records in global television coverage with an estimated audience of 2.1 billion viewers in 160 countries and territories.

The Athens 2004 broadcast was the strongest in Olympic Games history, generating more than US\$ 1,492 billion. Olympic Games coverage reached an unprecedented global audience. More than 300 television channels provided a total of 44,000 hours of dedicated Olympic coverage, accessible to 4.2 billion viewers in 220 countries and territories.

Olympic Marketing Revenues
2001 – 2004



- Broadcasting
- Corporate Sponsorship
- Ticketing
- Licensing

Left The Athens 2004 broadcast was the strongest in Olympic Games history, generating more than US\$ 1,492 billion.
Right Eleven global corporations participated in TOP V.



THE TOP PROGRAMME

The Olympic Partners (TOP) programme provided the Olympic Movement with record levels of financial support as well as value-in-kind contributions of products, services and technology during the 2001-2004 quadrennial period.

TOP is the worldwide sponsorship programme, established by the IOC in 1985 to provide long-term financial stability to the Olympic Movement and to support the Olympic Games. Operating on a four-year term that coincides with the Olympic quadrennium, TOP completed its fifth generation (TOP V) between 2001 and 2004.

Eleven global corporations participated in TOP V: Coca-Cola, Atos Origin, John Hancock, Kodak, McDonald's, Panasonic, Samsung, Sports Illustrated, Swatch, Visa International, and Xerox.

The TOP V Partners provided the Olympic Movement with financial and value-in-kind contributions valued at an unprecedented US\$ 603 million.

ADMINISTRATION

REVENUE GENERATION

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OLYMPIC BROADCASTING

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Coca-Cola

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SAMSUNG

Sports Illustrated

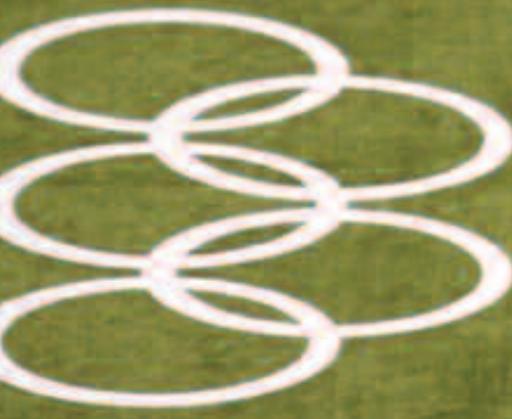
swatch

VISA

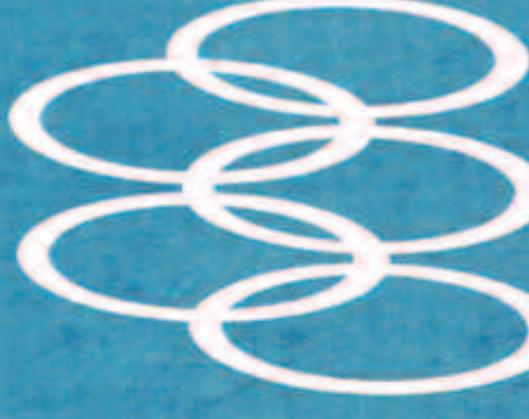
XEROX



TOP V

ATHENS 2004  welcome

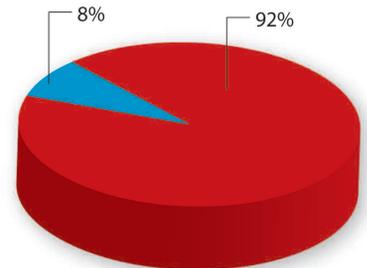


2004  welcome home



REVENUE DISTRIBUTION

The money that the IOC receives from broadcast and marketing rights is distributed throughout the Olympic Family. It goes to aid cities hosting the Olympic Games, to assist sportsmen and women to prepare for those Games through the 202 National Olympic Committees (NOCs) and to help the International Federations (IFs) promote and develop the activities for which they have responsibility. Less than 10 per cent of the revenue remains with the IOC for the costs of administration.



ORGANISING COMMITTEES FOR THE OLYMPIC GAMES (OCOGs)

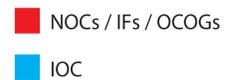
Many agreements are drawn up far ahead of the staging of the Games, which is a great help to host cities as it allows them to plan their budgets more efficiently. When the 2008 Olympic Games were awarded to Beijing in 2001 at the 112th IOC Session in Moscow, the IOC had already signed a television deal worth more than US\$1 billion for whichever city was going to host those Summer Games.

The Salt Lake City Organising Committee (SLOC) received about US\$ 1.39 billion from Olympic marketing programmes, of which 40 per cent or US\$ 570 million came from the broadcast and marketing programmes managed by the IOC. The Olympic properties of the United States, the joint marketing programme of SLOC and the United States Olympic Committee (USOC) generated the remainder.

Similarly for the Games of the Olympiad, the IOC's marketing and broadcasting deals have given huge support to the OCOGs. Prior to 2004, the IOC contributed 60 per cent of the broadcasting revenue for the Games to the OCOG.

With the increased value of the rights, this dropped to 49 per cent, leaving the remainder going to the Olympic Movement to serve worldwide development and the progress of sport.

The Athens Organising Committee received about US\$ 960 million from the IOC's sale of broadcast rights and worldwide sponsorship. This was approximately 50 per cent of the OCOG's operating budget.



Left The Athens Organising Committee received about US\$ 960 million from the IOC's sale of broadcast rights and worldwide sponsorship.

NATIONAL OLYMPIC COMMITTEES (NOCs)

NOCs participating in the Salt Lake City and Athens Games received approximately US\$ 318.5 million, compared to US\$ 198.7 million for the 1997-2000 period. This was made up of broadcast revenue via Olympic Solidarity of US\$ 209.5 million and the TOP Programme of US\$ 109 million. Such funding helps the NOCs with the cost of sending teams to the Olympic Games, and for the training and development of athletes.

INTERNATIONAL SPORTS FEDERATIONS (IFs)

Revenue generated from Salt Lake City 2002 provided the seven Winter IFs with US\$ 92.4 million, compared with US\$ 17 million from ten years earlier in Albertville.

Revenue generated from Athens 2004 provided the 28 Summer IFs with US\$ 253.9 million. For most IFs, whether Winter or Summer, the Games are their largest single source of revenue. In addition, the IOC makes contributions from its revenue from the Games to several recognised international sports organisations, including the International Paralympic Committee, the World Anti-Doping Agency and the Court of Arbitration for Sport (CAS).